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International Herald Tribune

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Officials Pinpoint Suspects for Arrest In Pan Am Disaster

By David B. Ottaway and Laura Parker
Washington Post Service

WASHINGTON — U.S. and European security officials have drafted a list of people they want to arrest on suspicion of involvement in the bombing of Pan Am Flight 103 as belief has hardened that Palestinian terrorists associated with a Damascus-based group were behind it, according to U.S. officials close to the investigation.

The sources said investigators were also fairly certain that they knew the outlines, or "trail," of the technical execution of the Dec. 21 bombing, which killed all 259 persons aboard the airliner and 11 on the ground in Lockerbie, Scotland.

William S. Sessions, the FBI director, said in an interview last week that he was "confident" that the investigation, involving U.S., British and West German authorities, would be able to determine who was responsible for the bombing. But neither he nor other FBI spokesmen will discuss details of the investigation.

U.S. officials continue to caution that no final determinations have been reached. "They have names of suspects but no conclusions," one official said.

Other sources said, however, that investigators were closer to reaching a conclusion than this statement suggested and that they believed those involved were directly or indirectly associated with the Damascus-based Popular Front for the Liberation of Palestine-General Command, led by Ahmed Jebril.

It remains unclear whether the individuals were acting on behalf of Iran, Libya or themselves, the sources said. Mr. Jebril has close ties to Iran and Libya, as well as to Syria.

Both Iran and Libya are known to hold grudges against the United States, Iran most recently because of the accidental shooting down of an Iranian Airbus by a navy ship in

See TERROR, Page 6

Reuters

Demonstrators in Tbilisi, the Georgian capital, gathering outside a government building to demand secession from the Soviet Union.

16 Die as Army Quells Protest in Soviet Georgia

By Esther B. Fein
New York Times Service

MOSCOW — Sixteen people were killed and more than 200 injured just before dawn on Sunday when thousands of nationalist demonstrators who had gathered in the Georgian capital of Tbilisi for several days refused to disperse and troops with clubs moved into the crowds.

An official statement read on Georgian television said that "16 civilians were killed and more than 100 were hurt" and that 91 soldiers were injured after trouble broke out in Tbilisi's central Lenin Square early Sunday morning.

"My God, it is so tragic, so awful and tragic," said Lana Gogoberidze, a Georgian film maker who has been involved in the demonstrations. "Young girls and boys are dead. The situation is very dangerous here."

The official press agency Tass confirmed the deaths and said that the square was "under army control" and that "several instigators of the unrest were detained."

The military commander of the Transcaucasian region, Colonel General Igor N. Rodionov, announced on local television and radio on Sunday night that an 11 P.M. curfew was in effect and that further rallies were banned.

As the violence was reported, the Presidium of the Supreme Soviet issued a decree reaffirming that there were heavy penalties for "kindling inter-ethnic or racial hostility" and for "public insults or the discrediting" of state bodies or officials.

The decree was apparently issued as a sign of the leadership's discontent with the events in Georgia and its intent to be firm with defiant nationalist groups.

Soviet troops and tanks were sent into Tbilisi on Friday, after a demonstration that began Tuesday with 158 hunger strikers demanding independence from Moscow had swelled into strikes and protests of several thousand people.

The incident was the latest crisis of nationalism to confront the government of Mikhail S. Gorbachev, the Soviet leader. For more than a year, ethnic groups throughout the Soviet Union have been issuing demands that range from reinstatement of their native languages to outright secession.

The biggest challenge to the notion of national harmony came in the Caucusus region, where more than 80 people have died in the last year in clashes between Armenians and Azerbaijanis over control of the Nagorno-Karabakh Autonomous Region, which is governed by Azerbaijan, a largely Moslem republic, and populated by an Armenian Christian majority.

Mr. Gorbachev has condemned ethnic discord, saying last year that

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The Associated Press

Finn Ugletveit of the Norwegian National Institute of Radiation Hygiene, with a lead-encased sample of water taken from the site where the submarine sank. The water was being tested for radioactivity.

Moscow Says Submarine Fire Killed 42

The Associated Press

OSLO — The Soviet Union said Sunday that 42 sailors were killed when a nuclear-powered submarine caught fire, exploded and sank in the Norwegian Sea, and disclosed that the vessel carried two torpedoes armed with nuclear warheads.

An announcement in Moscow said that 27 crew members had been rescued from the ship.

The vessel's reactor was shut down to prevent nuclear contamination, the Soviet press agency Tass said, and the warheads were designed to prevent radiation leaks when deeply submerged.

Norwegian researchers who tested surface water and air samples from the site said that the submarine had released no radiation when it caught fire and exploded on Friday.

But more tests were to be conducted to see if the reactor leaked after the ship sank about 1,400 meters (about 4,500 feet) to the bottom of the sea, they said.

The accident occurred in international waters 120 miles (200 kilometers) southwest of the Norwegian Bear Island and about 310 miles west of the northern coast of Norway.

Norwegian officials said safety systems on such torpedoes would likely prevent radiation from being released even if the ship broke up under the tremendous water pressure at that depth.

Five physicists worked through the night Saturday to analyze the samples collected from the accident zone. They found "no indication there has been any radioactive leakage," said Anne Alvik, the head of the Committee of Radiation Accidents, a Norwegian government body set up after the accident in 1986 at the Chernobyl nuclear plant in the Soviet Union.

Scientists planned to install permanent monitoring equipment near the sunken submarine to keep radiation levels under surveillance for years, Norwegian officials said.

Tass said: "The crew of the torpedo carrying nuclear-powered submarine was made up of 69 men. Twenty-seven of them were saved. The crew of the submarine displayed courage in the struggle for keeping it afloat. The submarine had on board two torpedoes with nuclear warheads."

A Norwegian Defense Ministry spokesman, Erik Senstad, said earlier Sunday that Norway had not been told whether the ship was nuclear-armed.

He said reconnaissance flights showed 40 to 50 Soviet seamen had been pulled from the water, but the crew of the Orion spy planes could not say how many were alive in the frigid sea.

The Soviets declined an offer of the use of Sea King helicopters from a Norwegian rescue base 600 kilometers away, Mr. Senstad said. He declined to comment on whether more lives might have been saved in the Norwegian offer had been accepted.

The Norwegian news agency NTB said that the rescue helicop-

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Japan Scandal Hastens Era of Tough New Leaders

By Patrick L. Smith
International Herald Tribune

TOKYO — As Japan's long-running stock scandal approaches what is expected to be its political denouement in coming weeks, younger and more aggressive leaders are preparing to assume positions of influence in the national political hierarchy far earlier than they would have if the Recruit affair had not erupted.

NEWS ANALYSIS

And as generational change in Japan's leadership advances, it is also becoming clear that the youngest politicians to emerge in the postwar era will bring a new and potentially problematic assertiveness in Tokyo's relations with the United States and other nations.

The political change that now seems imminent could mean a tougher approach from Tokyo to such issues as trade, market-opening and cooperation in defense and security matters.

"We're certainly going to see greater insistence on the Japanese point of view from leaders who are more confident of our place in the world," said Koji Kakizawa, a legislator who heads the governing party's foreign affairs committee. "The question is whether this should be interpreted positively or negatively."

The scandal now poses a direct threat to Prime Minister Noboru Takeshita and virtually all Japanese political leaders of his generation, but it is still unclear how quickly new leaders will be pushed to the fore in factions of the governing Liberal Democratic Party, or how extensive the process of "political purification" will be.

But an increasing number of Liberal Democrats, including influential members of Mr. Takeshita's generation, have come to accept that the scandal is likely to result in change of a magnitude previously thought impossible in a nation that has changed little in the political sphere during the Liberal Democrats' 34 years in power.

Referring to the resignation of Kakuei Tanaka as prime minister following the Lockheed scandal in the 1970s, Toshio Koomoto, who heads a small faction in the governing party, said over the weekend: "This is a precedent, and it is vital to strengthen the party by restoring people's faith in politics."

Mr. Koomoto is the first faction leader and the most senior Liberal Democrat to suggest that Mr. Takeshita step down.

Mr. Kakizawa and other observers believed until recently that the pace of change in the nation's leadership would hinge on whether prosecutors brought criminal charges against active politicians involved in the scandal, which centers on the distribution of discounted shares in Recruit Cosmos Co., a rising real estate company, to cabinet ministers, legislators and other officials.

But with the exposure last week of Mr. Takeshita's apparently extensive involvement in the scandal, pressure for the retirement of the present generation of Liberal Democratic leaders is now expected to be dictated less by legalities than by ethical issues — who is tainted by the scandal and who is not — and by political expediency.

On Sunday, the prime minister made three stops on a political tour of Oita prefecture in central Japan, each time indicating that he intended to resist increasing pressure from the major opposition parties to step down and call new elections.

"I am endowed with power to dissolve parliament and my cabinet, but I have no intention of taking such steps at present," Mr. Takeshita said. "I will stake my career on political reforms to regain public confidence in politics."

Mr. Takeshita, following disclosures in newspaper reports, has acknowledged receiving 50 million yen (about $375,000) in political contributions from Recruit. However, two major Tokyo newspapers, Asahi Shimbun and Sankei Shimbun, reported Sunday that he would disclose this week to the Diet that he had received a total of 100 million yen in donations from Recruit and in profits on their stock.

At this point, the prime minister and other senior party officials are viewed widely as fighting a defensive action at best. Reflecting the political paralysis affecting the heads of all major factions within the Liberal Democrats, party discipline is quickly giving way to the newfound assertiveness of younger politicians.

Several Liberal Democratic groups have begun calling for the prime minister's resignation, and are threatening to form a new con-

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Thomas Schakowenyi/Reuters

Davis Cup Victors: West Germany, Sweden, U.S.

Sweden defeated Austria, 3-2, on Sunday to advance to the Davis Cup World Group semifinals after Stefan Edberg, above, overpowered Horst Skoff in Vienna. In Prague, Carl-Uwe Steeb and Boris Becker of West Germany defeated their Czech rivals for a 3-2 quarterfinals victory. Sweden next meets Yugoslavia, which defeated Spain, and West Germany meets the United States. Page 19.

Kiosk

U.S. Marchers Back Abortion

WASHINGTON (WP) — Hundreds of thousands of people marched here Sunday demanding preservation of the right to abortion in one of the largest demonstrations to take place in the U.S. capital. Turnout was higher than the organizers had predicted. (Page 3)

MONDAY Q&A

AP

George Vassiliou rejects what he says are Turkish Cypriot calls for the partition of Cyprus. Page 2.

Business/Finance

Trade officials broke a four-month deadlock on key issues in GATT talks. Page 13.

Personal Investing

Portfolios specializing in Asian markets gained in the first quarter. Pages 9-12.

Crossword Page 6.

Bush Foreign Policy Review: Little New

By R. Jeffrey Smith
Washington Post Service

WASHINGTON — Three reports presented to President George Bush as part of a lengthy review of U.S. foreign policy recommend no major new initiatives toward Europe or the Soviet Union and offer no support for dramatic arms cuts or sharply expanded economic cooperation with the East, U.S. officials say.

The classified reports, prepared by an interagency committee and submitted to Mr. Bush last week, determined instead that the administration should closely follow current policies, largely developed during the Reagan presidency, toward Eastern and Western Europe and toward the government of Mikhail S. Gorbachev, the Soviet leader, the officials said.

The officials could point only to the possible elimination of some U.S. trade tariffs and other economic measures involving Poland, in response to Polish endorsement of open elections, as a specific new initiative supported by the reports.

The foreign affairs review has occupied hundreds of senior policy planners and tied the administration's hands on many pressing policy issues since Mr. Bush became president in January.

The reports on the Soviet Union, Eastern Europe and Western Europe are considered among the most important of dozens of papers distilled from the review covering most regions of the world, U.S. military policy and arms control.

A White House official indicated that the three were part of only a handful reviewed so far by a special committee chaired by Robert M. Gates, the deputy national security adviser, and approved for submission to Mr. Bush and other members of the National Security Council.

Mr. Bush responded to the three reports by asking for some supplementary information, the officials said, but appeared to accept their conclusions and did not ask that they be redrafted.

While some senior officials expressed frustration with what they described as the complacent view in the reports of the present U.S. role in world affairs, others praised the process that produced them and the reports themselves for helping to "educate" Mr. Bush and his new appointees on emerging problems in European and Soviet relations and for creating "a paper trail" that might be used in policy-making many months from now.

On about a dozen controversial topics, the officials said, the reports

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Most Spaniards Reject 'Religious Tax'

By Sarah Nicholson
International Herald Tribune

MADRID — Two-thirds of Spanish taxpayers have rejected an option that permits them to earmark a proportion of what they give unto Caesar to the Roman Catholic Church instead.

The Socialist government allows people to divert a small proportion of their taxes to religious ends by ticking a box on their tax forms. The option was devised as means of getting Catholics to assume responsibility for paying the church's expenses in order to wean the church from direct government subsidy.

Nearly 90 percent of Spaniards consider themselves to be Roman Catholics, but their recent lukewarm response to the "religious tax" is rekindling the question of how deeply their piety runs in this now predominantly secular society.

Even though exercising the option involves no extra outlay, only 35 percent of taxpayers chose to allot one half of one percent of their taxes to help support the Roman Catholic Church in 1988, the first year they were given that option, according to figures recently released by the Ministry of Finance and Economy.

Fewer still — 12 percent — chose another option to earmark part of their taxes for "other social ends."

"The message is clear," said José Juan Toharia, a sociologist at Autonomous University of Madrid. "Most Spaniards begrudge anything that links the church and the state. They want religion to stay where it now is, in the realm of the private."

Even church officials concede at least partial defeat. "People do not seem to take a favorable view of the state serving as a cash register for the church," said Father Joaquin Ortega, deputy secretary of the Roman Catholic bishops conference.

But he also noted that the percentage who opted for the religious tax was higher than the 30 percent of Spaniards who are regular churchgoers.

In the 10 years since Spain's democratic constitution separated church and state, new legislation has swept away laws that had banned divorce, abortion and the sale of contraceptives and that had made blasphemy an imprisonable offense.

"Even devout Catholics welcomed the church's leave-taking from public affairs," said the secretary-general of the progressive Pope John XXIII Theologians Association, Juan Tamayo. "Spain is now one of Europe's most tolerant countries, and that is a healthy sign for a country with such a turbulent religious past."

But, in one last holdover from the days of Franco, who boasted that Spain was the "spiritual reserve of the West," the state continues to give the church a hefty subsidy. Last year a fourth of the church's total budget of 60 billion pesetas ($520 million) came from state coffers, with a large portion going toward the salaries of the country's 21,200 diocesan priests.

The religious tax was devised by the Socialist

See TAXES, Page 6

Foreign Frontier Looks Ripe To Hungry U.S. Pro Leagues

By Gerald Eskenazi
New York Times Service

NEW YORK — Symbolically and fittingly, a basketball painted like a globe sits in the locker-room-sized office of David Stern, commissioner of the National Basketball Association.

Nonchalantly, Stern picks it up and tosses it aloft playfully, controlling his world.

His office sits 15 stories above Fifth Avenue in New York, but his view, and that of the people who run America's other major professional sports leagues, has become increasingly global.

There is a new world beckoning the traditional U.S. sports of basketball, baseball and football.

And the National Hockey League, playing an international game and with a niche as the No. 4 sport in the United States, is expanding its already wide horizons.

This global sports view is highlighted by these recent developments:

• The International Basketball Association voted overwhelmingly Friday to permit professionals, including NBA players, to play in the Olympics.

• The National Football League is committed to a spring satellite league based in Europe, and could be ready to start it as early as next year. That league should help elevate sales of overseas television rights, which generated $2 million for the NFL last year.

• The new baseball commissioner, in office less than two weeks, has created a post for a deputy who expects to bring South America and Europe into the national pastime with increased television broadcasts and promotional tours by players. Recognizing the profitable market, baseball will, under the new network television agreement that begins in 1990, own its overseas television rights. Currently, the network owns the rights.

• The National Hockey League's preseason exhibition tour of Europe, Scandinavia and the Soviet Union next fall could foreshadow a plan under which teams from various countries would compete during the regular-season in games that would count for the NHL teams in the league standings.

• The NBA is working on a deal under which two teams would open the 1989-90 regular season with a pair of games not in New York or Boston, but in Japan.

The cornerstone of all this change is the development in the television habits of Europeans.

A viewing boom is under way, thanks to television deregulation in Europe, which now permits an increasing number of cable and satellite channels.

In England alone, the number of TV systems — which incorporate various channels — has doubled from two to four within the last two months, and there will be 11 by the end of the year.

Suddenly, programmers from Frankfurt to Madrid to Rome must fill thousands of hours a year. And, the sports moguls in the United States say a considerable number of those hours will feature their games.

"The deregulation of TV in Europe is creating an appetite for ready-made programming, some part of which is being filled by American sports," said Charles Jonscher, a London media consultant. "In the United Kingdom alone, the seven new stations this year are budgeting hundreds of millions of dollars annually to fill programming. So when you look at just sports

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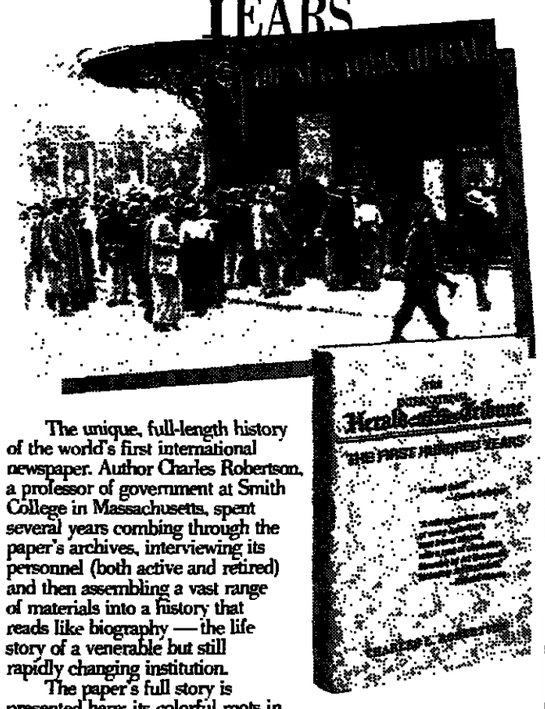
THE FIRST HUNDRED YEARS



The unique, full-length history of the world's first international newspaper. Author Charles Robertson, a professor of government at Smith College in Massachusetts, spent several years combing through the paper's archives, interviewing its personnel (both active and retired) and then assembling a vast range of materials into a history that reads like biography — the life story of a venerable but still rapidly changing institution.

The paper's full story is presented here: its colorful roots in Paris of the Belle Epoque, its defiant refusal to leave Paris during World War I, its place in the lives of the "Lost Generation" of Americans drawn to Paris in the 1920's, its dramatic closure and exhilarating revival in the 1940's, its transformation into a global newspaper in more recent years.

Robertson's compelling narrative is written with an acute sense of history and a flair for telling detail. Complete with photos, this is a book you will be proud to own and fascinated to read.

Hardcover, 472 pages, 23 black-and-white photos. Published by Columbia University Press (N.Y.).

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Vassiliou Urges a Demilitarized Cyprus

At talks at the United Nations last week, the Cypriot president, George Vassiliou, and the Turkish Cypriot leader, Rauf Denktash, reported on the progress of seven months of intercommunal talks. Last week, Mr. Denktash stated his views in this space. This week, Mr. Vassiliou replies to questions from Julian Nundy of the IHT.

Q. Now that you have reported to Secretary-General Javier Pérez de Cuéllar on your talks so far, what is the next phase?

A. We will continue the dialogue though the Turkish position remains unchanged. An intensified effort will be made to produce a draft outline of an overall agreement by the end of May. We will meet again with the secretary-general in June to review the situation.

Q. You have a June 1 date to produce agreement. Do you think anything will be forthcoming by that date?

A. I can only say that it is certainly possible for a great deal of progress to be achieved by that date and even for a solution. What is needed is for both sides to adhere to the agreements that we have come to in the past and to negotiate on the basis of Cyprus being one federal, demilitarized, democratic country respecting the human rights of all its citizens.

•

Q. What are the issues still dividing the two sides?

A. We want Cyprus to be one country, federally organized with two regions, one administered by each community. The other side is effectively suggesting the partition of the island. Everyone's basic human rights and particularly the right to their property and free movement and settlement over the whole of Cyprus must be respected, while the Turkish side wants to negate them.

We cannot accept the presence of foreign troops in the Republic of Cyprus while the Turkish side envisages four foreign or local armies. The presence of foreign troops is a crude and retrogressive way of assuring the security of Turkish Cypriots. We believe that their worries, deriving from the fact that they compose only one-fifth of the population, are best dealt with through the federal system we have proposed, the extensive regional powers suggested in our proposals and the fact that Cyprus is a democratic society adhering to the conventions and procedures for safeguarding human rights of the Council of Europe.

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Q. Much has been said about your having a fresh approach to the intercommunal talks. Mr. Denktash has praised your attitude and skills. But it is commonly said that the fact

MONDAY Q&A

that you are an independent without formal party ties makes your task more difficult since you do not have parliamentary support.

A. I have fortunately not found this to be so. On the contrary, the fact that I have no party of my own has facilitated very wide support for my policies on the Cyprus problem both on overall aims and on specific steps. Of course, since Cyprus is a democracy, it is inevitable for a pluralism of opinions to exist. And there have been disagreements on specific decisions. There has never been an indication that disagreements represented a majority. On the contrary, the overwhelming majority of the population supports my policy. It is also significant that our proposals for the solution of the Cyprus problem have been accepted by all political parties.

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Q. In the nearly 15 years since the division of Cyprus, a whole generation has grown up in ignorance of the other community. What effect would this have on reconciliation?

A. Whenever there have recently been opportunities for people from each community to meet and talk, what has come to the surface is the will to live in a single country. I have encouraged these contacts, on professional, political and other bases. Unfortunately, the Turkish side has so far tried to stop such contacts. Only last week, Greek Cypriot journalists were prohibited from going to the annual meeting of Turkish Cypriot journalists to which they were invited. I sincerely hope that Mr. Denktash will change this practice.

Q. Cyprus is buying modern arms and is reviewing its defense. The Turkish Cypriots are making a lot of this. Is this a good time to be doing this?

A. As you know, Turkey, which maintains a massive troop and armored capacity in the part of Cyprus she occupies, is a major NATO power and is in no danger of being outgunned by our small country. The military capacity of her occupation troops in the northern part of Cyprus is vastly superior to our total forces.

We are trying to reduce this imbalance because we do not want to be negotiating while completely at the mercy of the Turkish military. But what we wish most of all is for Cyprus to be demilitarized. I have repeatedly stated that we agree to disband all our military forces, provided all Turkish troops and settlers from Turkey leave Cyprus at the same time. Not many countries have a standing offer to completely demilitarize themselves in the cause of peace.

Q. If the current intercommunal talks do not produce a settlement, what do you think will happen next? Will you try to find a new way of talking to the Turkish Cypriots.

A. Dialogue is the only way to solve problems. And I shall continue to seek ways to talk not only with the Turkish Cypriots but also with Turkey. I have already offered to meet with Prime Minister [Turgut] Ozal and/or President [Kenan] Evren because I believe there are certain crucial aspects of the Cyprus problem such as the presence of Turkish troops and settlers from Turkey in Cyprus, which can only be solved by the Turkish government.

I do not believe that the status quo can continue. It is a situation which is contrary to the interests of Greek and Turkish Cypriots. It would continually poison relations between two allies, Greece and Turkey. And it is not in the interest of Turkey herself. Her European image and the European aspirations would continuously be in jeopardy through the presence of her occupation troops in another European country.

Odds Favor Another Shuttle Accident

Experts Ponder an Unmanned Carrier for Space Station Payloads

By William J. Broad
New York Times Service

NEW YORK — The National Aeronautics and Space Administration is worried that another catastrophic space-shuttle accident seems almost inevitable in the next decade, so it is improving the winged spaceships still more and considering a switch to unmanned rockets for some missions.

For any single shuttle flight, the agency now estimates the risk of "catastrophic failure" in the ascent to orbit at 1 in 78. Such an accident would destroy the shuttle and almost certainly the astronauts.

In contrast, the Air Transport Association estimates that a single airline flight has one chance in two million of ending in deaths.

The ascent — with the shuttle's powerful engines running at dangerously high speeds, temperatures and pressures — is by far the riskiest period of flight.

The assessment of risk holds true despite three successful flights since the 1986 Challenger disaster, which killed all seven crew members, NASA officials said last week.

The risk is becoming a major policy issue as NASA begins work on its $25 billion space station, which would rely on the shuttle for transporting material and astronauts and for maintenance.

All together, more than 100 shuttle missions are scheduled through the late 1990s, when the 508-foot-long (154-meter-long) station would be assembled high above Earth. So the latest estimates of risk suggest that a shuttle catastrophe is likely to occur before the space station can be completed.

Another such accident, experts say, could cripple the U.S. manned space program during the pursuit of its most ambitious project yet.

John E. Pike, head of space policy for the Federation of American Scientists, a private group based in Washington, said the political repercussions of such an explosion in the next five years or so would "basically pull the plug on the manned space program."

Seymour C. Himmel, a member of NASA's Aerospace Safety Advisory Panel, said there was "a finite probability that something will go awry over the next few years."

NASA's candor about the shuttle's risk of catastrophe is relatively new. Before the Challenger explosion, agency officials regularly asserted that the chance of disaster was one flight in 100,000.

Internal government estimates were more realistic. In 1983, a study for the U.S. Air Force found that of 14 major accidents that might destroy the shuttle, booster failure was the most likely, with chances of 1 flight in 35.

The world's only other space shuttle, the Soviet craft, has flown once, unmanned, last year. Nikolai A. Simyonov, head of the international department at Glavkosmos, the Soviet space agency, said the Soviet shuttle was safer than the U.S. version because of the design of its booster rockets.

"We use liquid fuel rather than solid," he said in Moscow.

Many Western experts agree with the assessment, although some experts at NASA say the solid rockets are just as safe. NASA makes no comparisons between risks in the shuttle program and those in the Mercury, Gemini and Apollo programs, which used liquid-fuel rockets.

Of the more than 100 shuttle flights scheduled between now and the end of space station assembly, 20 are to be devoted to carrying parts of the station, which would weigh 225 tons, orbit 250 miles above Earth.

NASA has spent $2.4 billion on shuttle improvements since the Challenger explosion and plans to spend $1.1 billion more to strengthen the spaceship further.

Another program seeks to build advanced solid-fuel rocket boosters at a development cost of $1.5 billion. The rockets are seen as far safer than the current boosters and would help the shuttle lift heavier payloads.

But NASA's top safety advisers told the agency last month to consider scrapping the boosters and using the money to reduce dangers throughout the ship.

Gilbert L. Roth, staff director of the Aerospace Safety Advisory Panel, said his group believed that the job of "launching large amounts of mass" should be given to unmanned rockets.

NASA agrees with that assessment, at least in principle. It is studying whether to build an unmanned cargo carrier. The vehicle, the Shuttle-C, would be derived from shuttle components, including main engines, solid-fueled rocket boosters and large external fuel tanks. In place of the orbiter, it would have a carrier for payloads of 50 to 75 tons, as against the current shuttle's 25-ton capacity.

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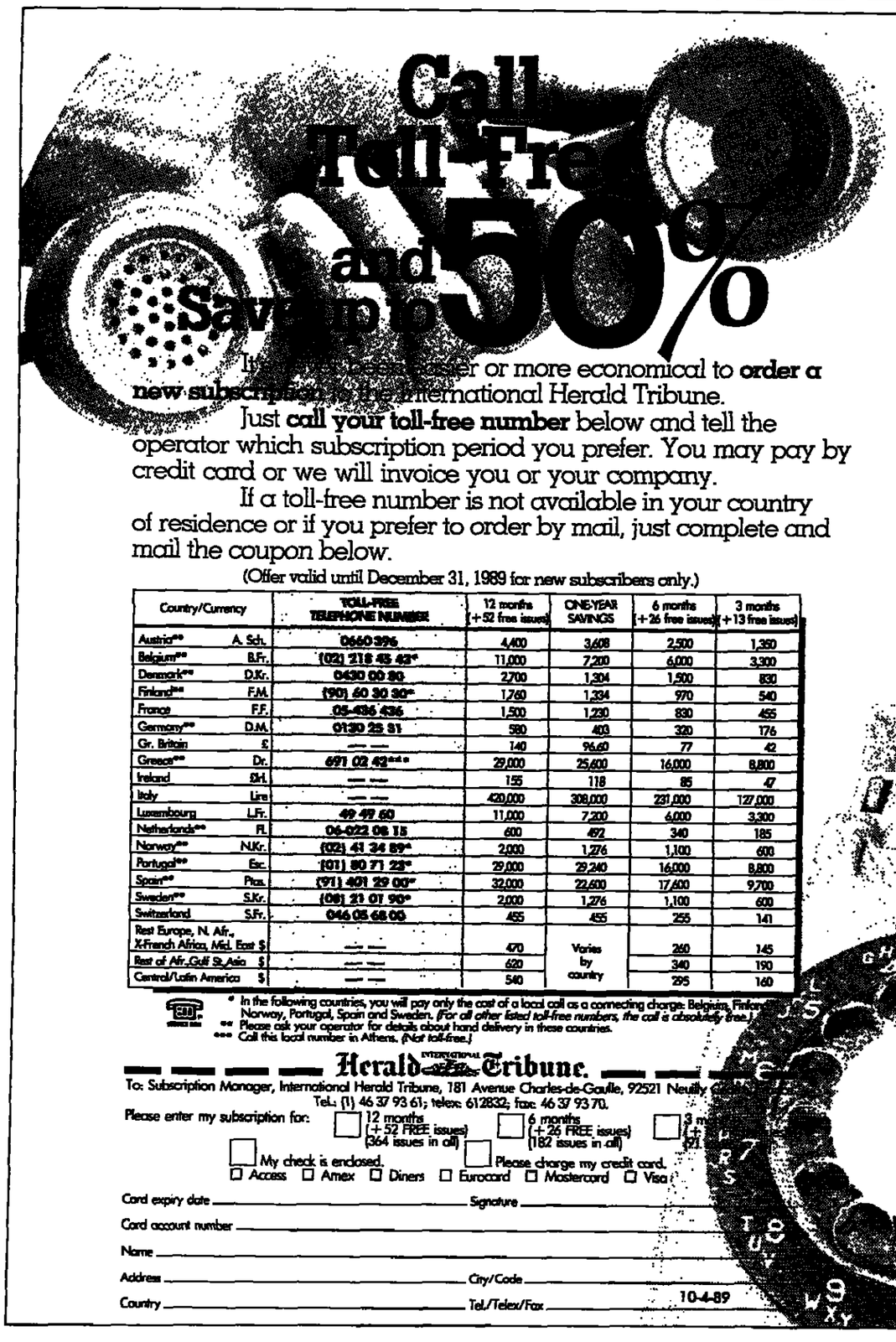

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Sandinist Voting Bill Omits Chief Opposition Proposals

Los Angeles Times Service

MANAGUA — The Nicaraguan government has unveiled an election reform bill that eliminates some advantages held by the ruling Sandinista Party but ignores the major demands of the opposition.

The bill, as submitted to the National Assembly by President Daniel Ortega Saavedra, mandates equal broadcast time for advertising by each party registered in the election, scheduled for Feb. 25, 1990, and bars the Sandinistas from using government vehicles and other property in the campaign.

But it lacks several conditions for fairness outlined in a proposal by 15 opposition parties, including voting rights for exiles, denial of suffrage to members of the military and legalization of foreign contributions to political campaigns.

The Sandinista-controlled legislature is expected to debate the bill and approve a modified package by April 25, the scheduled start of a 10-month electoral process.

Under a Feb. 14 peace accord among five Central American nations, Nicaragua was required to change its election law to give opposition parties "equitable participation" on an electoral council that will organize the voting. The election is to be held after four months of free political organization and a six-month campaign.

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WORLD BRIEFS

New Party Unifies South African Left

JOHANNESBURG (WP) — Three predominantly white political parties to the left of the South African government have merged to form the Democratic Party. The move unites the fragmented white opposition for the first time in 30 years. The party leaders said they hoped to increase liberal representation in the segregated Parliament and build closer relations with black political groups.

No one gives the new party any chance of defeating the government. But one of its leaders, Denis Worrall, said he believed the party could double the liberals' present strength of 21 seats and supplant the far-right Conservative Party as the main parliamentary opposition party.

The three parties are: the Progressive Federal Party, long the main party of white liberals, led by Zach de Beer, a former executive of South Africa's biggest mining conglomerate; the National Democratic Movement, led by Wyland Malan, a former National Party legislator, and the Independent Party, led by Mr. Worrall, a former ambassador to Britain. The merger was announced Saturday.

Israelis May Restrict Islamic Shrine

JERUSALEM (Reuters) — Israel may bar Palestinians from Friday prayers at one of Islam's holiest shrines in Jerusalem to put an end to disturbances there, Haim Bar Lev, minister of police, said Sunday.

Mr. Bar Lev, commenting on violence on Friday on Temple Mount, site of Al Aqsa Mosque, said: "An outbreak like this is really a phenomenon that we have not seen for a long time. We will take steps in the future to prevent this." At least 12 people were injured, including five policemen and three Jewish worshipers hit by stones at the adjoining Western Wall, in the disturbances on Friday.

An army spokesman said troops shot and killed two persons on Sunday. The victims were a boy involved in protests in the Gaza Strip and a man who tried to stab a soldier with a pitchfork in the West Bank town of Hebron. He said troops wounded four others in the clashes on the second day of a 48-hour strike marking the start of the 17th month of the Palestinian uprising.

Hungary Opposition Boycotts Talks

BUDAPEST (Reuters) — The eight leading opposition groups in Hungary have boycotted talks with the ruling Communist Party, saying that the dialogue would not have been serious.

The groups, known as the Opposition Roundtable, received no reply from the party to four subjects they had proposed for the talks: guarantees on drafting a new constitution, the creation of conditions for free elections, guarantees that talks would have practical effects and debate on a disputed dam being built at Nagymaros on the Danube.

Khamenei Confirms Rushdie Order

NICOSIA (AP) — President Ali Khamenei of Iran has told Iranian ambassadors to the European Community nations that a death sentence against the British novelist Salman Rushdie will be carried out, state-run Tehran radio reported.

The broadcast, monitored here, quoted him as saying that Ayatollah Ruhollah Khomeini's religious decree "against the apostate writer" was a decree based on Islamic law, and was "irrevocable." The threat against Mr. Rushdie's life was issued Feb. 14 after publication of "The Satanic Verses," which many Moslems believe to be blasphemous. Mr. Rushdie is in hiding in Britain.

The official Iranian news agency, IRNA, also monitored in Nicosia, quoted Mr. Khamenei as telling the envoys that the decree "revived Islam's splendor and the depth of Islamic belief."

Beijing Questions Hanoi on Pullout

BEIJING (AP) — China's official news agency expressed doubts Sunday that Vietnam would pull all its troops out of Cambodia by the end of September as promised, saying Hanoi had "a notorious record of insincerity."

The Xinhua news agency said Vietnam was trying to conceal a large number of troops in Cambodia by moving them into the ranks of the Hanoi-backed faction led by Hun Sen, the Cambodian prime minister, or turning them into armed immigrants. Xinhua said there was "nothing new" in Vietnam's promise to leave Cambodia by September and it said seven partial pullouts announced between 1982 and 1988 "were a sham."

Army Rebellion Continues in Haiti

PORT-AU-PRINCE, Haiti (Reuters) — Lieutenant General Prosper Avril, the Haitian president, has put down a new uprising by rebel military forces but still faces the task of restoring discipline to his army after a coup attempt a week ago, officials said Sunday.

General Avril succeeded Saturday in regaining control of the Dessalines barracks, where troops had been in open revolt for four days. But he still had to deal with another rebellion at the elite Leopards battalion, and the danger posed by perhaps hundreds of disaffected troops who have fled the two units, some with their weapons.

TRAVEL UPDATE

Rebellion by Air Passengers in Italy

ROME (Reuters) — Angry passengers forced an Italian airport to reopen by refusing to leave their aircraft when they were told they would have to complete their journey by bus. The protest occurred on a flight by the domestic airline ATI from Milan to the eastern city of Pescara via Ancona on Thursday and was confirmed by Pescara airport officials over the weekend.

The flight left Milan two hours late, and the 59 passengers refused to get off at Ancona when the pilot told them they would have to continue by coach because air traffic controllers at Pescara had finished work and the airport had closed. The controllers, who finish at 11 P.M., had to continue working, and the plane landed after midnight.

Dutch aviation authorities have restricted the use of two Fokker-100 passenger planes after one was damaged during a landing last month, according to a spokesman for the Dutch airline KLM. The airline has been temporarily ordered not to land its two Fokker-100 aircraft in tail winds or in cross winds of more than 18 kph (about 10 mph) following damage to the landing gear during a landing in Geneva. *(Reuters)*

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

TUESDAY: Costa Rica.
WEDNESDAY: Liberia.
THURSDAY: India, Sri Lanka, Thailand.
FRIDAY: Burma, Haiti, Honduras, India, Liberia, Nepal, Sri Lanka, Syria.
SATURDAY: Bangladesh, Burma, Niger.
SUNDAY: Burma, Puerto Rico.

Source: Morgan Guaranty Trust Co., Reuters.

WEATHER

	HIGH C	HIGH F	LOW C	LOW F	
EUROPE					
Algarve	15	59	12	54	c
Amsterdam	12	54	4	39	c
Athens	19	66	10	50	s
Barcelona	17	63	10	50	s
Belgrade	22	72	7	45	s
Berlin	12	54	4	39	c
Brussels	12	54	1	34	c
Budapest	18	64	9	48	s
Copenhagen	10	50	2	36	c
Costa Del Sol	17	63	11	52	s
Dublin	12	54	5	41	c
Edinburgh	10	50	2	36	c
Florence	16	61	10	50	s
Frankfurt	14	57	2	36	c
Geneva	12	54	4	39	c
Helsinki	3	37	-2	28	sn
Las Palmas	21	70	16	61	s
Lisbon	14	57	10	50	r
London	13	55	4	39	c
Luxembourg	12	54	1	34	c
Madrid	18	64	6	43	s
Milan	15	59	9	48	c
Moscow	9	48	-2	28	sn
Munich	14	57	6	43	c
Nice	16	61	10	50	s
Oslo	7	45	-1	30	sn
Paris	15	59	5	41	c
Prague	9	48	-1	30	sn
Reykjavik	4	39	1	34	r
Rome	18	64	8	46	s
Stockholm	5	41	1	34	sn
Strasbourg	14	57	4	39	c
Venice	16	61	9	48	s
Vienna	16	61	7	45	s
Warsaw	17	63	6	43	s
Zurich	15	59	4	39	c
MIDDLE EAST					
Ankara	22	72	7	45	s
Cairo	31	88	19	66	s
Istanbul	20	68	10	50	s
Jerusalem	22	81	13	55	s
Tel Aviv	32	90	12	54	s
OCEANIA					
Auckland	—	—	—	—	na
Sydney	21	70	16	61	r

	HIGH C	HIGH F	LOW C	LOW F	
ASIA					
Bangkok	36	100	27	81	t
Beijing	27	81	12	54	s
Hong Kong	28	82	19	66	s
Manila	34	93	23	73	t
New Delhi	35	95	20	72	s
Seoul	20	68	7	45	s
Shanghai	19	66	11	52	c
Singapore	—	—	—	—	—
Taipei	28	82	18	64	s
Tokyo	23	73	13	55	s
AFRICA					
Algiers	27	81	18	64	s
Cape Town	24	77	15	59	s
Casablanca	24	75	15	59	s
Harare	—	—	—	—	—
Lagos	32	90	23	73	t
Nairobi	26	79	15	59	s
Tunis	24	75	12	54	s
LATIN AMERICA					
Buenos Aires	28	82	16	61	s
Lima	28	82	19	66	s
Mexico City	—	—	9	48	—
Rio de Janeiro	—	—	—	—	—
NORTH AMERICA					
Anchorage	7	45	-3	28	c
Atlanta	15	59	4	39	s
Boston	7	45	2	36	c
Chicago	7	45	-2	28	sn
Denver	13	55	-5	23	c
Detroit	8	46	-2	28	sn
Honolulu	26	79	22	72	sh
Houston	24	75	12	54	s
Los Angeles	20	68	11	52	s
Miami	29	84	18	64	s
Minneapolis	7	45	-6	21	c
Montreal	7	45	-2	28	sn
Nassau	32	90	23	73	t
New York	9	48	1	34	c
Phoenix	28	82	20	68	s
San Francisco	20	68	13	55	s
Seattle	20	68	6	43	s
Toronto	8	46	-2	28	sn
Washington	15	59	2	36	c

ci-cloudy; fo-foggy; fr-fair; h-hail; o-overcast; pc-partly cloudy; r-rain; sh-showers; sn-snow; st-stormy.

MONDAY'S FORECAST — CHANNEL: Wild. FRANKFURT: Overcast. Temp. 12—6 (54—43). LONDON: Cloudy. Temp. 12—8 (54—46). MADRID: Stormy. Temp. 14—3 (57—46). NEW YORK: Cloudy. Temp. 9—1 (48—34). PARIS: Cloudy. Temp. 14—9 (57—48). ROME: Cloudy. Temp. 20—8 (68—46). TEL AVIV: Not available. ZURICH: Cloudy. Temp. 15—6 (59—43). BANGKOK: Rain. Temp. 37—26 (99—79). HONG KONG: Cloudy. Temp. 21—18 (70—64). MANILA: Cloudy. Temps. 35—25 (95—77). SEOUL: Foggy. Temp. 19—7 (66—45). SINGAPORE: Stormy. Temps. 30—24 (86—75). TOKYO: Rain. Temps. 20—13 (73—55).

AMERICAN TOPICS

Too-Secret Weapon Against Tooth Decay

Government and private dental health experts are beginning a new push to tell parents about effective but underused plastic sealants that can protect children's teeth against decay, The New York Times reports. A national survey indicates that, despite years of urging by dental experts, only 8 percent of American schoolchildren have had their teeth coated with sealant.

"We're surprised by the findings," said Dr. Preston A. Littleton Jr., deputy chief dental officer of the U.S. Public Health Service. He said 25 years of research had shown the sealant to be "completely safe, highly effective and very economical in preventing tooth decay."

Dental sealant is a thin plastic film painted on the chewing surfaces of permanent teeth, the molars and bicuspids toward the back of the mouth. The film, which can last for 10 years or more, prevents decay along the irregular surfaces, pits and fissures where food particles can be trapped. These surfaces benefit least from the protective effects of fluoride, which works best on smooth surfaces.

Sealant is not recommended for adults, who are less prone to cavities and who may have filled teeth, which are not candidates for sealants. Sealant typically costs $10 to $15 a tooth. "We are reaching out to the public," Dr. Littleton said, "and want parents to start inquiring about sealants."

Short Takes

Virginia, home to major naval and marine bases and several suburbs of the U.S. capital, headed all states in per capita federal spending last year at $5,953.71 per resident, the U.S. Census Bureau reports. Then came New Mexico, Alaska and Maryland. At the bottom of the scale was Michigan, at $2,543.17.

Jones Brewing Co. of Smithton, Pennsylvania, has dropped twice-daily beer breaks for its 75 employees. The giant Anheuser-Busch, with 9,000 employees, did the same two years ago. The president of Jones, Gabriel Podlucky, said, "When you get 20 minutes and drink a couple beers, grab one here, grab one there, you're less than 100 percent." Like Anheuser-Busch, employees will be compensated for the beer breaks with two free cases of beer per month for home use or benefits of similar value.

Notes About People

Edward J. Perkins, who in 1986 became the first black American ambassador to South Africa, is returning to Washington to become the first black director-general of the U.S. Foreign Service. Its 4,000 officers include about 500 blacks. Mr. Perkins succeeds George S. Vest in what amounts to being personnel manager for the 23,000 State Department employees worldwide.

The president of the American Federation of Teachers, **Albert Shanker,** says he wonders whether the skills that make for success in school are related to success in later life. "Students who do well in school," he told The New York Times, "are those who can sit still for long periods of time, learn by listening to someone talk, think abstractly and not talk to anyone around them. Can you imagine organizing adults this way in an office? If someone on the job is having trouble with some problem, common sense says you ask a colleague for help. Schools call this cheating."

Barry Morrow, who won the Academy Award for his original screenplay of "Rain Man," has been advised by his alma mater, St. Olaf College in Northfield, Minnesota, that he can earn the degree for which he is one credit short by submitting the script for grading. He said he is considering the offer.

Jimmy Breslin, the New York columnist and novelist, is in Hollywood working on a television pilot project based on his marriage to Ronnie Eldridge, a political activist. It is not Mr. Breslin's first TV venture; he also has made commercials for typewriters and light beer. "The reward in this business," he explained, "is the money."

Arthur Higbee

Martin Jeong/Reuters-UPI

AIDS SUFFERER RELEASED — **Hans Paul Verhoef, 31, a Dutch health educator, talking in San Francisco after his release from five days of detention on arrival in the United States. Minneapolis customs officials detained him after finding AZT, a drug used to treat AIDS, in his luggage. He was on his way to the National Lesbian and Gay Health Conference.**

Documents Tie Reagan to Contra Affair

By Stephen Engelberg
New York Times Service

WASHINGTON — An analysis of government documents introduced at the trial of Oliver L. North casts a new light on former President Ronald Reagan's role in circumventing a congressional restriction on aid to the Nicaraguan rebels.

Disclosures in the documents also led to renewed demands for President George Bush to explain how he could have served as vice president without knowing more than he has admitted about the administration's support for the rebels, known as contras.

Although the commission headed by former Senator John G. Tower that looked into the Iran-contra affair portrayed Mr. Reagan as a disengaged president, he comes across in the trial evidence as a chief executive who personally approved the grand strategy and who was involved in the details of his administration's efforts to save the contras as a fighting force against the Nicaraguan government.

All the evidence taken together — the Tower commission report, the document released Thursday and other evidence at Mr. North's trial — lead to the same conclusion: Mr. Reagan was at the center of the contra effort.

The new testimony and documents at Mr. North's trial also contradict the arguments made early in the Iran-contra affair by administration officials that Mr. North's assistance to the contras lacked the sanction of his supervisors at the National Security Council and senior officials.

The testimony and documents also call into question the more recent conventional wisdom that Mr. North was part of a close-knit conspiracy whose participants hid their activities from all but a few senior administration officials.

Instead, the trial gives credence to the notion that Mr. North was carrying out the most risky aspects of a program that was known to and involved the White House inner circle, as well as officials at the State Department, Pentagon and Central Intelligence Agency.

At the time, Mr. North was a Marine lieutenant colonel serving as an aide to the National Security Council.

As for Mr. Bush, last week produced a disclosure that could put him on the spot as he has never been before.

A 42-page document, allowed into evidence, implies that Mr. Bush's meeting on March 16, 1985, with President Roberto Suazo Córdova of Honduras was part of a secret plan under which Honduras received increased U.S. aid on the condition that it assist the contras.

If Mr. Bush went into that meeting knowing about what Mr. North's lawyers say was the "quid pro quo" arrangement, this means that his assertions of no involvement and little knowledge of Mr. North's activities may be false.

Mr. Bush said Friday that he would not address any of the new questions about that meeting while the trial was in progress. When he does respond, the president will have an unusual opportunity to dispel some of the lingering uncertainties about his knowledge of the contra effort by answering two questions.

They are: Did he say anything to Mr. Suazo about the conditions under which the aid had been increased? Did he know anything about the plan to make the aid conditional on support of the contras?

It has long been known that the Reagan administration sought to manipulate the machinery of government to support the contras in the period that Congress had cut off direct military aid, from 1984 to 1986.

The trial evidence suggests, however, that the range of actors and agencies involved was broader than previously known.

Mr. North is charged with 12 criminal counts in connection with the case, including one that he misled congressional investigators.

So far, the evidence linking Mr. Bush to the proposal under which U.S. allies received aid in exchange for their assistance to the rebels is circumstantial.

As approved by Mr. Reagan in late February, 1985, the plan called for a discreet emissary to explain to the Hondurans that the aid came with conditions relating to contra support.

Within a month, Mr. Bush traveled to Honduras and discussed the additional American aid programs in a meeting with Mr. Suazo, the document says. It does not identify Mr. Bush as having been picked as the envoy mentioned in the plan. Nor does it quote him as mentioning any "quid pro quo" in his meeting with the Honduran leader.

The confusion about Mr. Bush's role in this effort illustrates the difficulty in interpreting the document introduced into evidence on Thursday.

The document was prepared especially for the trial. A U.S. government official acknowledged that its contents, which outline the Reagan administration's program to gain support for the contras from other countries, were the product of negotiations between the defense and prosecution and that fairness or completeness were secondary considerations in those talks.

The government's primary interest was in preventing the disclosure of materials that it said were too sensitive to be made public; the defense's was putting its client in the best light by showing the involvement of other officials.

On the Honduras plan, the document discloses for the first time that senior Reagan administration officials agreed on Feb. 7, 1985, to send additional "enticements" to Honduras "in exchange for continued support of the Nicaraguan resistance."

The enhanced aid was to be communicated through a presidential letter that would be followed by the visit of an emissary "who would verbally brief the conditions."

The most startling aspect of this account is the list of people attending. Provided the document's summary of the Honduran plan is accurate, it would show that senior officials agreed to the arrangement.

The document said that among those participating were: Michael H. Armacost, the No. 3 official in the State Department; Fred C. Ikle, undersecretary of defense for policy; Vice Admiral Arthur S. Moreau Jr. of the Joint Chiefs of Staff, and Clair George, the director of operations at the Central Intelligence Agency.

The congressional Iran-contra investigating committees concluded that the State Department had been cut out of the effort that was directed from the White House to aid the contras.

The panels' report, for example, noted that former Secretary of State George P. Shultz was not told of a $32 million contribution to the contras from Saudi Arabia until long after it had occurred.

Mr. Armacost was one of Mr. Shultz's closest aides.

The Honduras accord was forwarded to Mr. Reagan in a memorandum dated Feb. 19, 1985, written by Robert C. McFarlane, then the national security adviser. The court document said Mr. Reagan "personally authorized the entire plan."

Dennis Cook/The Associated Press

Oliver L. North, protected from the rain by an officer's umbrella, leaving court in Washington.

Huge Pro-Abortion Rally in Washington

By Ed Bruske
Washington Post Service

WASHINGTON — In one of the largest political demonstrations ever to take place in Washington, hundreds of thousands of people marched Sunday on the U.S. Supreme Court demanding preservation of women's right to legal abortions under the court's landmark 1973 decision in Roe vs. Wade.

The huge crowd far surpassed organizers' predictions. It dwarfed a *group of a few hundred* anti-abortionists who turned out in opposition.

Law enforcement authorities estimated the crowd at 300,000. Eleanor Smeal, president of the Fund *for the Feminist Majority, said* there were more than 600,000.

The turnout was higher than even organizers had predicted, and Sunday they were speaking of a newly found political clout.

"It's a turning point," Ms. Smeal said. "It's a totally new ball game. It's given us the confidence that we are the majority."

By either count, the demonstration rivaled other events that have marked the historical U.S. turning points, such as the 1963 march on Washington for civil rights, attended by 250,000. Rallies protesting U.S. involvement in the Vietnam War in the 1970s were of comparable size.

The march opens a campaign to solidify public opinion in favor of the 1973 Supreme Court decision *as the court prepares to hear arguments* April 26 to decide the constitutionality of a Missouri law intended to limit access to abortions.

The case, Webster vs. Reproductive Health Services, is considered a vehicle for the court, now somewhat more conservative in makeup, to reconsider its abortion precedents. The step has been urged by *the state of Missouri, as well as the* Reagan and Bush administrations.

A ruling is expected in mid-1989. If the Supreme Court overturned Roe vs. Wade, states probably would have the authority to determine whether abortions were legal within their borders.

However, the court could decide most of the specific issues in the Missouri case for the state without *overturning or even modifying Roe* vs. Wade. The Missouri law restricts the use of public money and buildings for counseling and for carrying out abortions.

The court's last major abortion ruling, which preserved the right on a vote of 5 to 4, came in 1986. Since then, Associate Justice Lewis F. Powell Jr., a supporter of abortion rights, has retired and been replaced by Associate Justice Anthony M. Kennedy, whose views on the issue are unknown.

The ranks of marchers — some *from as far away as Los* Angeles, thousands arriving by bus from college campuses around the country — were swept by a sense of settling accounts with their anti-abortion foes, who have gained increased *attention through fervid,* sometimes militant attempts to stop abortions.

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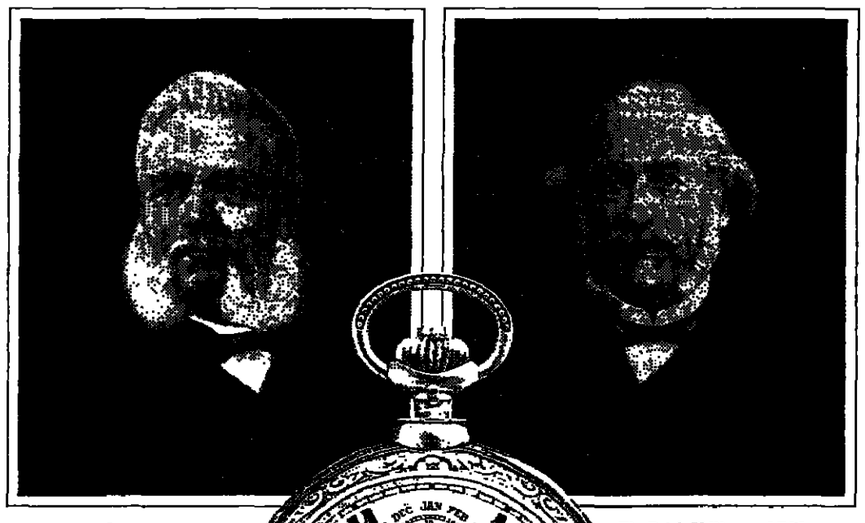
MUSÉE DE L'HORLOGERIE ET DE L'ÉMAILLERIE GENÈVE

THE LEGENDARY WATCHES OF PATEK PHILIPPE 1839 – 1989



The fabulous watches of Patek Philippe's private collection are on public display for the first time on the occasion of Patek Philippe's 150th Anniversary.

The Patek Philippe exhibition is at the Musée de l'Horlogerie et de l'Emaillerie from April 10 to September 30, 1989. The Musée de l'Horlogerie et de l'Emaillerie, at 15, route de Malagnou, is open every day from 10 am to noon and from 2 pm to 6 pm (except Monday morning.)

A comprehensive, illustrated catalogue of the Patek Philippe Exhibition is available from the Musée de l'Horlogerie et de l'Emaillerie.

PATEK PHILIPPE 150 YEARS

Asia and Pacific Face a Seafood Crisis

By Michael Richardson
International Herald Tribune

BANGKOK — In the Gulf of Thailand, fishermen complain that they have to sail much farther and work harder to bring home a worthwhile catch.

Shoppers in Bangkok find that mackerel, one of the cheapest and most popular sources of protein in Thailand, is becoming scarcer and more expensive.

These are two signs of a dangerously rapid depletion of seafood stocks in Asia and the Pacific, according to fisheries experts.

Somyod Sudhom, a researcher at the Southeast Asian Fisheries Development Center in Bangkok, said that while many people have become aware of ecological issues such as the destruction of rain forests, depletion of seafood reserves has remained a hidden crisis.

"The deep-sea water blocks the view," he said.

The depletion has worldwide implications: Overfishing in waters close to home is driving the major fishing nations of East Asia to richer areas farther away.

In many parts of Southeast Asia, marine catches are declining or stagnant, prompting urgent calls from scientists for better management and conservation.

"I don't know of a single near-shore fishery in Southeast Asia that is not either fished to its maximum capacity or overfished," said Mark J. Valencia, a marine resources specialist at the East-West Center in Hawaii. Near-shore means within a country's territorial waters, which normally extend 12 nautical miles from the coast.

"*It's a problem of too many* people cutting up the fisheries pie into too many small pieces," said Jay Maclean, acting director-general of *the International Center for Living* Aquatic Resources Management, in Manila. Fishing fleets, he explained, "are still growing while the fish populations are not."

Competition is becoming acute among Southeast Asia's more than six million small-scale fishermen and large commercial fleets using modern technology.

Exports of prawns, squid, tuna and other commercially important species from Asian and Pacific waters are worth many hundreds of millions of dollars a year. The region produces about 25 million tons of fish annually, or about 40 percent of the world's total ocean catch.

The practice of fishermen traveling farther for their catch has triggered disputes recently between Asian and Pacific countries over rights of access to fishing grounds and conservation of resources.

For example, after repeated complaints by Indonesian fishermen about alleged poaching by Thai, Korean and Taiwanese trawlers, Indonesia warned that foreigners caught operating without licenses in its waters would be tried for subversion, on which a conviction can carry penalties ranging from 20 years in jail to death.

As competition intensifies, said Chua Thia-Eng, president of the Asian Fisheries Society, traditional coastal fishermen, many of them impoverished, are resorting to destructive practices such as dynamiting and poisoning fish, to increase short-term yields.

Growing numbers of young and spawning fish are being caught, often illegally, which is preventing depleted stocks from recovering.

A report by the Asian Development Bank warned that without careful management, many fisheries near shore could be destroyed. The bank said demand for fish in Asia and the Pacific was expected to rise dramatically in the next 15 years because of population and economic growth.

One of the major challenges facing the region, the bank said, was "how to meet basic human needs while sustaining the resource base upon which these needs depend."

Fish provide more than half of the animal protein consumed in Southeast Asia. Pressure on stocks is exacerbated by what experts describe as a massive migration of impoverished farmers to coastal areas in search of a livelihood in countries such as Indonesia, Thailand, the Philippines and Vietnam.

Fishing, Mr. Maclean said, is an occupation of last resort. "There are a lot landless people who make their way to the sea and become locked into the fishing industry," he said.

Southeast Asian nations often have difficulty enforcing fishing regulations because of shortages of surveillance boats and personnel.

Experts said development of better management techniques, inland fisheries and saltwater fish farming would help reduce the pressure on ocean stocks.

However, Daniel Pauly, a researcher at the aquatic resources center, cautioned that since poverty is a major cause of overfishing, many of the problems related to the industry could be solved only by providing alternative employment.

Thailand operates a fleet of more than 30,000 ocean-going fishing boats. Last month, Vietnam said its *coast guard had impounded 10* Thai trawlers and detained about 100 Thai fishermen for illegally entering Vietnamese waters.

Advances in technology, including the use of fine-mesh nets up to 60 kilometers long and 150 meters deep (35 miles by 480 feet), have intensified fears in Indonesia and among South Pacific islands that foreign trawlers are scooping the heart out of their fishing grounds.

Australia, New Zealand and the South Pacific islands have asked Taiwan, Japan and South Korea to attend a meeting later this month to discuss measures to protect tuna stocks in the South Pacific.

Nearly 700,000 tons of various species of tuna worth $600 million were taken in 1988 from the South Pacific.

Mark Avery/The Associated Press

EYADEMA IN CHINA — Deng Xiaoping, the Chinese leader, right, greeting President Gnassingbé Eyadéma of Togo in Beijing.

Seoul to Reassess Overtures to the North

By Fred Hiatt
Washington Post Service

SEOUL — South Korea's initiative to improve relations with North Korea has failed to produce results and will be pursued more cautiously from now on, according to a senior South Korean official.

The policy of reconciliation, which represented a sharp turnaround when President Roh Tae Woo announced it nine months ago, will be maintained, said Lee Hong Koo, Mr. Roh's minister of unification.

But because the Communist government in North Korea has not matched Seoul's flexibility, he said, South Korea will reassess the pace of change.

"The kind of optimism prevailing here last year has lost some of its intensity," Mr. Lee said. "People have become a bit more cautious. Many people advise us to be a bit more realistic, and to slow down."

Trade between the Koreas, after briefly taking off, has virtually ceased again. A follow-up visit to North Korea by one of Seoul's leading industrialists, whose first trip caused a sensation here earlier this year, has been postponed indefinitely.

And the unauthorized visit to Pyongyang by one of South Korea's leading leftist activists two weeks ago has triggered a government-wide review of Mr. Roh's policy toward the North.

"Our northern policy was drawn up rather haphazardly," another senior official said, "without much preparation or soul-searching or careful thinking-out."

When Mr. Roh promised last July to regard North Korea as a potential partner instead of as an enemy, he was responding to and helping fuel a deep-seated yearning among South Koreans for reunification. He also was raising hopes that tensions might be eased on the heavily armed peninsula, on which 43,000 U.S. troops are based.

While Seoul has made startling progress in its ties with the rest of the Communist world, relations with Pyongyang have remained acrimonious and hostile.

"The North Koreans just did not respond in kind," Mr. Lee said Friday. "In fact, they intensified their political and psychological offensive against us."

Critics of the government contend that, to improve his domestic popularity, Mr. Roh contributed to the problem by raising hopes unrealistically. Opponents on the left have said that he did not back up his initiative with substance, while Mr. Roh's right flank, which includes military officers as well as Foreign Ministry and intelligence agency officials, has seen his peaceful rhetoric as misguided from the start.

Criticism came to a head when Moon Ik Hwan, a government opponent, stunned the nation by showing up in Pyongyang without Seoul's knowledge or approval. Mr. Moon embraced the North Korean leader, Kim Il Sung, who has been the arch-villain of South Korean propaganda for the past four decades.

"It is a big crisis," one young bureaucrat said. "Public opinion is being polarized. The right wing is pointing its finger at Roh Tae Woo and saying, 'We told you that you were going too far, and this proves it.'"

The government has promised to arrest Mr. Moon when he returns to Seoul, probably this week, and officials launched a crackdown on leftist groups that advocate unregulated exchanges with the North.

By provoking the government crackdown and pushing officials away from their policy of reconciliation, Mr. Moon's visit "unmasked their uneasiness," a Western diplomat said, and showed that many in the South continue to view North Korea as the enemy despite Mr. Roh's initiative.

Mr. Roh has said that South Korea, with the success of last year's Olympics and with a superior economy, was confident enough to encourage the North to emerge from its isolation.

"But they really aren't dealing with North Korea from a position of confidence, and they've revealed that," the diplomat said.

The primary obstacle to Mr. Roh's northern policy, Mr. Lee said, has been Kim Il Sung, who has been North Korea's supreme leader since 1948 and shows few signs of following the lead of the Soviet leader, Mikhail S. Gorbachev, toward openness and change.

"There is a consensus developing among those who know North Korea best, including socialist countries as well as South Korea and other capitalist countries, that maybe, as long as Kim Il Sung is alive, it's really too optimistic to expect any basic change in its policy."

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A) DEPUTY DIRECTOR GENERAL (OPERATIONS)
B) DIRECTOR — FINANCE DEPARTMENT
C) DIRECTOR — ADMINISTRATIVE DEPARTMENT
D) INTERNAL AUDITOR

ICARDA invites applications for the above positions, all of which are located at its headquarters in Aleppo, Syria.

ICARDA is one of 13 centers supported by the Consultative Group on International Agricultural Research (CGIAR), a consortium of donor governments, international agencies and philanthropic foundations. It conducts research and training for the improvement of rainfed agricultural systems, particularly in the region of West Asia and North Africa, cooperates with national agricultural research organizations, and manages farms and laboratories where its scientists conduct much of their research. The total staff is about 700, including about sixty internationally recruited scientists, some of whom are outstationed in countries situated in a belt extending from Pakistan to Morocco.

A) DEPUTY DIRECTOR GENERAL (OPERATIONS)
RESPONSIBILITIES

The Deputy Director General (Operations) will report to the Director General and will represent him in overseeing the work of the Finance and Administrative Departments of the Center. He may be called upon to serve as Secretary to the Board of Trustees, assist in donor relations, including fund raising, and undertake other senior managerial duties as needed.
The Finance Department of the Center is charged with all aspects of budgeting, accounting, investment and financial reporting; and the Administrative Department with personnel and other aspects of human resource development, purchasing, visitors' services including travel, the physical plant including workshop, construction and maintenance, and an International School. Through the Directors of Finance and Administrative Departments, the encumbent will have responsibility for all these functions as well as for ensuring the financial integrity and administrative efficiency of the Center and the development of sound procedural and reporting systems for both areas.

QUALIFICATIONS

Applicants must:
1. Be over 40 years of age.
2. Hold a recognized postgraduate degree in business administration or equivalent and have adequate knowledge of accounting and management systems.
3. Have relevant international experience.
4. Have ability to work with people of different disciplines and nationalities.
5. Be fluent in spoken and written English as a prerequisite. Knowledge of Arabic and/or French would be highly desirable.

B) DIRECTOR - FINANCE DEPARTMENT
RESPONSIBILITIES

Under the overall supervision of the Deputy Director General (Operations) the Director, Finance Department is responsible for the day-to-day running of all accounting functions: cash management, administration, coordination and control of the budget; and internal and external financial reporting. He would be expected to develop and implement efficient and effective financial, monitoring and reporting procedures for each of these aspects and advise management on issues relating to them.

QUALIFICATIONS

Applicants must:
1. Be over 35 years of age.
2. Hold a recognized professional accounting, financial management or equivalent qualifications.
3. Have a minimum of 10 years of relevant international experience.
4. Have ability to work with people of different disciplines and nationalities.
5. Have knowledge of computerized systems, and experience in the use of mainframes and microcomputers.
6. Have good command of English as a prerequisite. Knowledge of Arabic and/or French would be desirable.

C) DIRECTOR - ADMINISTRATIVE DEPARTMENT
RESPONSIBILITIES

Under the overall supervision of the Deputy Director General (Operations) the Director, Administrative Department is responsible for all administrative matters including: personnel, visitors' services, building maintenance, catering, housing, telecommunications, transport services, vehicle maintenance and an International School. Apart from the day-to-day running of the department, the encumbent would be expected to develop and implement efficient and effective administrative, monitoring and reporting procedures for all these aspects and advise management on issues relating to them.

QUALIFICATIONS

Applicants must:
1. Be not less than 35 years of age.
2. Hold a recognized post graduate degree in administration or its equivalent.
3. Have a minimum of 10 years of active overseas experience in administration and personnel management. Understanding of agricultural research would be an advantage
4. Be fluent in spoken and written English a prerequisite. Knowledge of Arabic and/or French would be desirable.
5. Proficiency in handling computerized management systems to meet administrative needs would be highly desirable.

D) INTERNAL AUDITOR
RESPONSIBILITIES

The Internal Auditor will report directly to ICARDA's Director General. He would be expected to develop, implement, and manage a comprehensive policy and program of internal audit within the Center covering all aspects of financial management and administration. In this and in the day-to-day performance of his functions he will work in close collaboration with the Directors of Finance and Administration.

QUALIFICATIONS

Applicant must:
1. Be not less than 35 years of age.
2. Hold a CPA chartered accountant, or an equivalent university degree qualification.
3. Have 10 years of relevant experience.
4. Be fluent in spoken and written English. Knowledge of Arabic would be desirable.

CONDITIONS OF APPOINTMENT:

The salary will be competitive with comparable international posts, and will be based on background and experience. Benefits include the use of a car, an allowance towards housing costs, annual home leave, life and medical insurance, and a contributory retirement plan.

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Dr. Nasrat R. Fadda, Director General, ICARDA, P.O. Box 5466, Aleppo, Syria, not later than April 30, 1989.

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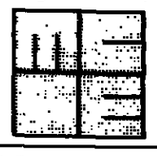

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The Director is also expected to contribute to the development of policies that enhance international, multicultural, and global learning experiences of students.

REQUIREMENTS: Minimum requirements include a doctoral degree, 5 years of managerial experience relevant to the development and administration of international programs, preferably in a university setting; knowledge of university administration; ability to interact effectively with a variety of individuals both within the University and abroad.

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Apparent Expulsion of Chinese Dissident Troubles Hong Kong

By Coleen Geraghty
International Herald Tribune

HONG KONG — The apparent expulsion from China last week of a prominent political activist is the latest in a series of actions that has raised new fears here about Beijing's impatience with political dissent and the future of human rights in Hong Kong.

Chen Jun arrived Friday in San Francisco, saying he had been thrown out of China. He said that Chinese officials had detained him for two days in Shanghai, then put him on a flight out of the country.

The Chinese authorities denied that he had been expelled. The official Xinhua news agency said he had been allowed to leave after confessing to membership in an illegal organization and speculating in foreign money.

For many here, Mr. Chen's departure, coming on the heels of two incidents last month, cast a dark shadow over the future of Hong Kong, which is to become part of China again in mid-1997. The earlier incidents were China's imposition of martial law in Tibet, and its response to a petition that originated in Hong Kong demanding the release of political prisoners in China. The petition was seized from a Hong Kong delegation at Tianjin airport on March 28.

The Standing Committee of the National People's Congress in China later agreed to accept the petition with its 24,000 signatures, but not the explanatory letter accompanying it. Mr. Chen had been active in the campaign to free political prisoners. China says that it holds none.

Beijing's recent actions have coincided with calls in Hong Kong and Britain for a bill of rights to be included in the Basic Law, Hong Kong's post-1997 constitution. The document has been criticized for failure to embrace many of the principles contained in the Sino-British Joint Declaration, which officially transfers sovereignty over Hong Kong from the United Kingdom to China.

A crucial element of the declaration is the guarantee that Hong Kong will become a special administrative region of China and that its way of life will be unchanged for 50 years after 1997.

Widespread public concern about freedom of expression after 1997 has failed to trigger mass demonstrations in Hong Kong, as it might elsewhere. The territory's 5.5 million residents have a reputation for political apathy.

But the expression about people voting with their feet is still appropriate in Hong Kong. Rather than marching in the streets, thousands of people have fled Hong Kong to resettle abroad. Canada, Australia and the United States are the most popular destinations.

The phenomenon has been called a brain drain because those wealthy enough to obtain foreign passports come mainly from the professional classes and business sector. A recent survey by Hong Kong's largest English-language newspaper indicated that 46 percent of the professionals contacted either possessed or were planning to obtain a foreign passport.

"People here have very real fears about 1997, and those who can go are making plans to get out," said Gladys Li, a local barrister and member of a lobby group that has called for amendments to correct "glaring omissions" in the Basic Law. "What we see in China today is increased government control in all sorts of areas, and an increase in the dominance of the Communist Party over the state," she said.

The local news media gave extensive coverage to the "Tianjin incident" in which the petition was seized, but only an handful mentioned it on their editorial pages. Those that did expressed serious concern about the effect on public confidence in Hong Kong's future.

Szeto Wah, a legislative councillor who is an outspoken critic of China and the Basic Law, said that the incident had contributed to the general mood of helplessness and uncertainty. "When China said, 'Put your hearts at ease,' the promise was not for ordinary people, but for Hong Kong's rich people," he recently told an audience of overseas Chinese in Maryland.

Whether China's actions in Tianjin and Tibet, together with its apparent expulsion of Chen Jun, will stir up a heated local debate on the Basic Law remains to be seen. The first round of public consultation on Hong Kong's future constitution elicited few responses. An amended draft has just been distributed for public comment.

Later this year, the Basic Law Drafting Committee, whose Hong Kong members are outnumbered by delegates from the mainland, will submit the document to the Chinese National People's Congress for approval.

John Walden, a retired Hong Kong civil servant writing in the local South China Morning Post, called the document "a device for squeezing the amply liberal body of provisions in the joint declaration into a Beijing-made strait-jacket that will have to be worn by the people of the Special Administration Region."

Concern about how the Basic Law will affect Hong Kong's way of life is shared by foreign businessmen. The territory has become a regional base for thousands of North American, European and Australian companies who like its freewheeling, capitalistic environment. Some plan to leave by 1997, but most are willing to wait and see whether China allows Hong Kong the "high degree" of autonomy guaranteed in the Basic Law.

"The Chinese government has stated they will protect Hong Kong's status for *some time*," said *Peter Job*, managing director for Reuters Asia. "This will require that certain things not be changed. Freedom of travel will be important. Freedom under the law, particularly in respect to financial transactions, is going to be important, as is freedom of information on which the financial industry thrives. We have between now and 1997 to see whether any of those issues pose problems for the government in China."

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Agence France-Presse

SOUTH KOREAN STUDENTS CLASH WITH POLICE — Protected by a shield-bearing colleague, a student leader used a club to give orders during a weekend rally at Kukmin University in Seoul, where radical students clashed with policemen. At another Seoul university, 1,000 policemen backed by armored vehicles charged students who responded with fire bombs.

U.S. and Japan Said to Reach Agreement on FSX Venture

By David Hoffman
Washington Post Service

WASHINGTON — The United States and Japan have reached a tentative settlement in the difficult negotiations over the joint project to build a next-generation fighter plane for Tokyo, according to Bush administration sources.

The terms include agreement that U.S. companies will garner "about 40 percent" of the production work involved in the plane, rather than merely sharing in the development work.

The initial agreement specified that U.S. companies would get 35 percent to 45 percent of the development work but was ambiguous on production. After meetings with his advisers, President George Bush decided to push for 40 percent of the production work.

[In addition, the Los Angeles Times reported, Japan has agreed not to charge the United States for access to any new technology that Japan develops based on U.S. technology. The deal will also allow the United States to buy any new technology Japan develops on its own, the newspaper reported.

[The agreement is unusual in that, in addition to overcoming traditional concerns about the sharing of sensitive U.S. military technology, it reflects U.S. interest in ensuring access to any new technology developed by its partner. Japan has not developed any major military aircraft on its own, but U.S. officials recognize the sophistication and potential of Japanese technological capability.]

The agreement comes after the Bush administration insisted on "clarifications" to the deal that the Reagan administration reached last year. Japan originally had balked at any modifications, but the sources said the government of Prime Minister Noboru Takeshita had informed the White House that it was willing to compromise on important points.

An announcement, which had been expected two weeks ago, may come early this week.

Congressional hearings are scheduled to begin Wednesday. A high-ranking administration official said that if there were no last-minute problems, the administration would send two cabinet officers, Commerce Secretary Robert A. Mosbacher and Defense Secretary Dick Cheney, to testify for the deal. Mr. Mosbacher had led the call to modify the agreement, while the Defense Department, before Mr. Cheney's arrival, had advocated moving ahead with the existing arrangement.

Administration sources predicted that the agreement would satisfy congressional concerns about undermining U.S. industrial interests and Japan's use of the technology to create a civilian aviation industry.

Backers have stressed the technology advantages to the United States.

Mr. Bush has called the agreement he inherited from former President Ronald Reagan vague on major issues.

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Rights Advocate Is Freed in China After Jail Term

New York Times Service

BEIJING — Defiant as ever, a well-known campaigner for democracy has left prison after completing an eight-year sentence for editing a journal that called for greater human rights in China.

"I never gave in," Yang Jing, 44, told family members and friends who had gathered in his house to see him after his release. "The officials said I had a bad attitude."

During the "Democracy Spring" movement a decade ago, Mr. Yang was an editor of "April 5th Forum," a mimeographed magazine that was one of the most influential of the unofficial publications calling for greater democracy and human rights. After some of his friends were arrested beginning in early 1979, Mr. Yang published numerous appeals for their release.

In April 1981 he, too, was arrested.

Early in his sentence, he said, he was punished for trying to get in touch with friends in the prison. For 11 months, he said Saturday, he was locked in a tiny, windowless cell, shackled in handcuffs and leg irons.

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AGA Group Final Report on 1988 Operations

Income of the AGA Group, after financial items, increased 13 percent in 1988, to SEK 1,150 million (SEK 1,014 million in 1987), in accordance with the preliminary report.

The Board of Directors proposes an increase in the dividend, to SEK 6.50 per share, as against SEK 5.25 last year.

In 1989, Group income is expected to increase but not as strongly as in 1988.

AGA's own valuation of its energy assets indicates SEK 65 to 85 per AGA share.

Consolidated Income Statement, SEK m	1988	1987
Sales	9,805	10,591
Other operating earnings	203	318
Operating expenses	–8,030	–9,158
Normal depreciation	–644	–636
Operating income	1,334	1,115
Dividends, etc.	21	25
Interest earnings	368	379
Interest expenses	–487	–465
Exchange rate adjustment	–86	–40
Income after financial items	1,150	1,014
Nonrecurring items	48	–176
Income before year-end provisions and tax	1,198	838
Minority interest	–15	–12
Year-end provisions	–401	–176
Tax	–228	–204
Consolidated net income	554	446
Calculated net income per share, SEK		
– after tax paid	20.00	17.40
– after full tax	15.30	13.60
– after nonrecurring items and full tax	16.20	10.00
Return, percent		
– on capital employed, before tax	16.9	15.3
– on adjusted equity, after tax	14.5	12.4
Average number of employees	13,543	16,138

During 1988, AGA concentrated its operations in three areas: Gas, Frigoscandia and Energy. The Group also strengthened its positions in these areas through investments in new plants and acquisitions.

Income from Gas operations and Frigoscandia improved in 1988, while earnings from Energy operations declined. It is difficult to compare results between 1987 and 1988 due to acquisitions during the two years and the divestment of Tool Steel operations effective January 1, 1988.

Consolidated sales totaled SEK 9,805 (1987: 10,591) m, an increase of 11 percent after adjustments for operations sold and acquired. Operating income after normal depreciation rose 20 percent to SEK 1,334 (1,115) m, and income after financial items increased 13 percent to SEK 1,150 (1,014) m. Operating income corresponded to 13.6 (10.5) percent of sales and income after financial items to 11.7 (9.6) percent.

Nonrecurring items in 1988 amounted to a surplus of SEK 48 m. In 1987, nonrecurring items yielded a deficit of SEK 176 m, which included anticipated loss of SEK 214 m from the sale of Tool Steel operations. The amount includes capital gains of SEK 6 (61) m from stock investments.

Including AGA's share of profits in major associated companies, the Group's calculated net income before nonrecurring items amounted to SEK 950 (826) m after deductions for tax paid and to SEK 725 (646) m after full tax.

Group investments in plant and equipment totaled SEK 1,540 (1,828) m, including SEK 204 (142) m for plant in acquired companies. To this should be added SEK 151 m in additional expenditures for acquisitions.

Gas operations

Sales from Gas operations in 1988 rose 18 percent. Recently acquired companies accounted for six of the 18-percent increase. Operating income increased 33 percent, of which five percentage points was contributed by new companies. Margins, accordingly, increased from 14 percent of sales in 1987 to 16 percent in 1988. Operations in the Nordic countries and Latin America yielded particularly notable improvements in earnings.

Capital expenditures declined as planned in 1988 and investments in plant and equipment amounted to SEK 1,227 (1,345) m, or 18 (24) percent of sales. Large atmospheric gas plants were completed in Brazil and Venezuela and the construction of new gas plants was started in Sweden, Finland and Uruguay and in West Germany in cooperation with Klöckner Stahl.

La Liquéfaction de l'Air S.A., a gas company in France, was acquired in 1988. In the U.S., AGA acquired Welders' Supplies and Gases Inc., a gas and welding distributor.

Group Operations, SEK m	1988	1987
Gas		
Sales	6,734	5,716
Operating income	1,076	806
Return on capital employed, percent	18	17
Investments in plant and equipment	1,227	1,345
Average number of employees	9,919	9,313
Frigoscandia		
Sales	1,968	1,698
Operating income	182	151
Return on capital employed, percent	17	18
Investments in plant and equipment	230	224
Average number of employees	3,060	3,026
Energy		
Sales	1,107	1,097
Operating income	76	99
Return on capital employed, percent	11	13
Investments in plant and equipment	82	89
Average number of employees	564	566

Frigoscandia

Frigoscandia sales increased 16 percent, of which five percentage points was attributable to recent acquisitions. Operating income rose 21 percent, including nine percentage points contributed by new companies. Income from storage and food processing as well as equipment sales and transportation operations improved in 1988.

Effective October 1, the Group's cold store and transportation operations in Denmark were expanded through the acquisition of A/S De Danske Kølehuse Cold Stores. Earlier in the year, Frigoscandia acquired a majority share in Design Systems Inc., an American engineering company that has developed systems used to cut food products with water jets.

Energy

Revenues from Energy operations rose one percent last year but income declined due to less favorable weather conditions, compared with 1987. Furthermore, additional shares were acquired in a nuclear power plant, which, in the short-term, leads to a reduction in income.

Issues to employees

In accordance with a decision reached at an extraordinary Shareholders' Meeting on October 21, 1988, AGA's employees in Sweden were invited to subscribe to convertible debentures. At the same time, certain management personnel in AGA companies outside Sweden were invited to subscribe to debentures with equity warrants. The offer was accepted by 88 percent of AGA employees in Sweden and 99 percent of entitled personnel outside Sweden. As a result, AGA issued a convertible loan in February 1989 totaling SEK 204 m, corresponding to 887,250 restricted B-shares after conversion at a rate of SEK 230, and a debenture loan with equity warrants totaling SEK 70 m, corresponding to 275,000 free B-shares at a rate of SEK 254. Maximum dilution of share capital from the issues will be 2.45 percent.

Valuation of AGA's Energy operations, etc.

Because of the considerable value currently represented by AGA's Energy operations the Annual Report contains a detailed description of the energy assets and AGA's view of their value. AGA estimates the market value of these assets, plus AGA's shareholding in Avesta AB, to between three and four billion Swedish Kronor, corresponding to SEK 65 to 85 per AGA-share. The book value is SEK 1.2 billion corresponding to SEK 25 per share.

Dividend proposal

The Board of Directors has proposed an increase in dividend from SEK 5.25 to SEK 6.50 per share; in total SEK 308 m. The Annual General Meeting will be held May 23, and May 26 is proposed as the record day for dividend payment. The dividend is expected to be paid through VPC on June 2.

Consolidated Balance Sheet, SEK m	1988	1987
Liquid assets and investments	2,945	2,551
Accounts receivable, trade	1,714	1,889
Other current receivables, etc.	510	503
Inventories	673	1,215
Long-term receivables, etc.	498	356
Shares	617	654
Land, buildings, machinery	8,094	7,749
Total assets	15,051	14,917
Short-term loans	1,446	3,044
Other current liabilities, etc.	2,166	2,393
Long-term loans	3,175	1,569
Other long-term liabilities	1,735	1,904
Convertible loans	3	4
Minority interest	75	165
Untaxed reserves	2,505	2,141
Share capital	1,182	1,182
Legal reserves	1,797	1,787
Free reserves	413	282
Net income	554	446
Total shareholders' equity	3,946	3,697
Total liabilities and shareholders' equity	15,051	14,917
Solvency, percent	34.9	32.9

Forecast for 1989

A satisfactory start has been made to 1989, with the exception of the impact on energy operations of the mild Swedish winter, as well as obvious risks for exchange-rate adjustments in a number of Latin American countries. However, AGA expects a continuing improvement in consolidated income in 1989, although not as strong as in 1988.

Lidingö, Sweden, March 29, 1989
AGA Aktiebolag

Board of Directors

AGA

AGA Aktiebolag, S-181 81 Lidingö, Sweden.

AGA shares are listed on the stock exchanges in Stockholm, Helsinki, London, Tokyo, Zürich, Basel, Geneva and are sold in the USA via ADR Deposits.

French Culinarians Are Doing as the Romans Did

By Barry James
International Herald Tribune

PARIS — Reviving visions of Lucullan feasts and Trimalchian orgies, a French food company has announced that it will soon start selling a range of Roman delicacies — ancient Roman, that is.

The authenticity of the recipes will be affirmed by researchers from the National Center for Scientific Research, who have spent the past couple of years sifting through manuscripts in search of tastes long lost in time and working out modern substitutes for the Roman ingredients.

A restaurant owner in the south of France who reconstructed the recipes has been trying out the dishes on his clients, with no ill effects.

Trimalchio, Petronius's famous glutton, might have whetted his appetite with crisp tongues of larks, or dormice marinated in honey, then moved on to a tasty thigh of ostrich or breast of peacock, "digging his grave with his teeth," as the expression had it.

But the Comtesse du Barry food company, which specializes in foie gras and other delicacies, aims to tease less adventurous modern palates with simpler, yet still unusual, fare. From a whole range of possibilities, it has chosen to test the market with three dishes — a preparation of wild boar cooked in a spicy sauce, stuffed duck in ginger and sea trout with wild leek. The dishes are likely to be on sale in France by the end of June, a company spokesman said.

The project began as a result of a friendship between Marie-Thérèse Marty, a documentary researcher at the University of Toulouse, and Renzo Pedrazzini, proprietor and chef of a restaurant at Saint-Bertrand-de-Comminges in the Pyrenees region.

The town is the site of important Roman ruins dating from the first century B.C., when Pompeii founded it as a way station on the road to Spain. Mrs. Marty, a volunteer worker at the dig, and Mr. Pedrazzini got to talking about ancient recipes about three years ago.

Fascinated by the possibility of recreating some of the old dishes, Mrs. Marty started digging through the texts in search of recipes that Mr. Pedrazzini could try out in his kitchen.

The starting point was "*De Re Coquinaria*," the Art of Cookery, a recipe book named after Caelius Apicius, a famous gourmet of the Tiberian era, whom Juvenal called "poor niggardly Apicius" and who is said to have spent a colossal fortune of 100 million sesterces on food and drink before committing suicide because he could not afford the cuisine of his dreams. Other recipes can be found in Cato's "*De Re Rustica*" and in the "*Naturalis Historia*" by Pliny the Elder.

"For the past two years we have been trying on the basis of the scientific texts to bring these recipes back to life," Mrs. Marty said in a telephone interview. "The problem is to work out the measures, which were not in the original texts."

Roman foods tended toward hot and spicy or sweet and sour. Pepper was used to season everything, even sweet dishes. Many common ingredients of modern Italian cooking — pasta, tomatoes, cream and butter, for example — were unknown. Instead, the Romans cooked in olive oil, honey and vinegar.

In addition to an abundance of herbs and spices, a common ingredient was a sauce called *liquamen* and a pickle known as *garum*, both of which were obtained through a process of fermenting fish guts seasoned with anchovies, sprats and other small fishes. The sauce is thought to be similar to the Nuoc Mam used in Vietnamese cooking.

"In ancient Roman cooking, the sauces are defined by a whole ensemble of flavors, a gamut of perfumes," Mr. Pedrazzini said. "It may be that this was necessary to conserve the food." But he added that the Roman style of cooking, using natural ingredients and low in fats, was essentially healthy.

Because the ancient recipes often listed several herbs and spices in the same dish without saying how much of each to put in, Mr. Pedrazzini said, getting the balance right is a difficult matter of trial and error. He works with the help of a herbalist from Toulouse.

For the past 18 months, the team of about a dozen historians, archaeologists and other researchers who have become interested in the project have been meeting at Mr. Pedrazzini's restaurant to try out the recipes. Some they have rejected as too bizarre, others as too bland.

In some cases, Mr. Pedrazzini has reworked a recipe four or five times before getting the right balance of herbs and spices. The researchers sought dishes that surprise without shocking — such as shrimps in date sauce, or quenelles of meat with pine nuts.

Mr. Pedrazzini, who started putting the ancient dishes on the menu at his restaurant on certain days last year, intends to continue the practice this season.

"The reaction has been quite good," he said. "Of course, some palates are more adapted than others — you have to like sweet and sour. I suppose the dishes go over best with those who have a spirit of curiosity, and not so well with those who are fixed in their habits."

Mr. Pedrazzini said that among the most popular dishes are trout and salmon cooked with antique sauces. "They are close to modern tastes, but the flavors are very surprising," he said. "The wild game goes down very well, too."

Once it was discovered that people actually liked the dishes and came back for more, the idea grew that this might be a way of attracting tourists to the town and raising funds for the archaeological dig.

Mr. Pedrazzini got together with Comtesse du Barry and the rest, as they say, is ancient history.

And should anyone be tempted to overindulge, this bit of advice from Apicius might come in handy:

"Chop a pinch of cumin, half as much pepper and a peeled clove of garlic; bathe with *liquamen*; pour on a bit of oil a drop at a time. This sauce will relieve an upset stomach and facilitate digestion."

Poland Challenges the West To Fulfill Aid Commitments

By Serge Schmemann
New York Times Service

BONN — At the conclusion of the successful roundtable talks in Warsaw last week, General Czeslaw Kiszczak, the Polish interior minister who had been instrumental in shaping the pact, put the challenge in no uncertain terms.

It was time, he said, for Western governments to "fulfill their commitments to Poland."

The meaning was clear: for years the West had let it be understood that any serious help for Poland's devastated economy and $39 billion debt was contingent on the Communist regime's agreeing to legalize the Solidarity trade union and move toward democracy.

That understanding, as much as anything, had driven the government to the talks, and the agreement it produced was in effect an appeal to the West for help.

As such, it also became the first major test of the West's readiness to give concrete assistance when a humbled and impoverished cousin in the East turned to it for help.

Western governments welcomed the pact and agreed that Poland required quick and extensive help.

Bush administration officials said that rewards could include credits from the Export-Import Bank and support for loans from the World Bank and the International Monetary Fund.

"If the Polish experiment works, you have a different Eastern Europe," an American official said. "The challenge is daunting. Lots of people say it cannot possibly work, but then a lot of people said this agreement would never happen."

There were reports from Poland that Lech Walesa, the Solidarity chairman, would travel to the United States and West Germany to campaign for help.

West Germany, as Poland's biggest creditor and a self-proclaimed champion of East Europe, has been expected to take the lead in giving assistance.

For more than a year, Foreign Minister Hans-Dietrich Genscher and an adviser to Chancellor Helmut Kohl had been negotiating with the Polish government, and Mr. Genscher has been at the forefront of calls for a new relationship with the East.

But in recent months, that sense of a special mission to heal the East-West divide — born of a lingering guilt over the war that created the rift as well as an appreciation of the business opportunities that a free East offered — had run up against stiff domestic resistance, fueled in particular by large numbers of Poles flooding into West Berlin and West Germany.

Their claims for benefits as "ethnic Germans" or as political refugees and their new black market in goods and services soon prompted a sharp backlash, which surfaced in the success of rightist parties in elections in West Berlin and Frankfurt.

IHT

Kabul Says Missile Hit Pakistan in Error

New York Times Service

KABUL — The Afghan government has acknowledged that a Soviet-supplied Scud-B missile was fired across the border into Pakistan last week. It said the missile landed in Pakistan by accident.

Pakistan said that the missile struck Pakistani territory on Friday, close to the point where the road from Jalalabad to Peshawar, Pakistan, crosses the border. Pakistan said there had been no casualties.

The accuracy of the Scud-B missiles has been in doubt since the Afghan Army began firing batteries of the weapons from a government base at Darulaman, 10 miles (16 kilometers) south of Kabul, last month to defend besieged Jalalabad, about 80 miles away.

The missile, which has a range of about 250 miles, is said by Western military experts to be inaccurate for use against close-in targets like the guerrilla concentrations near Jalalabad.

Senior Soviet officials in Kabul said last week that government forces owed much of their success in defending Jalalabad to the Scuds, batteries of which have been flown into Kabul airport aboard the Soviet jet transports that have been bringing supplies into the capital for the last month.

The Soviet officials said that the missiles had succeeded in driving the guerrillas back from the Jalalabad airport after they had taken positions inside the airport perimeter, and had also been used to drive guerrillas out of the government garrison at Samarkhel, 15 miles southeast of the city.

Observers said that the battle for Jalalabad appeared stalemated. Heavy bombardment has continued, apparently from rocket and artillery positions in the low-lying hills that extend to within a few miles of the city from the Pakistani border, 30 miles east.

■ Warning to Pakistan

Afghanistan warned Pakistan to keep out of the civil war as rebels widened their offensive against government forces, Reuters reported Sunday from Kabul. A Foreign Ministry spokesman said guerrillas attacked the southeastern city of Khost on Saturday.

The spokesman renewed charges that Pakistani soldiers were leading rebels. He also said Kabul reserved the right to attack rebel positions near the border with Pakistan.

GEORGIA: *16 Die in Protest*

(Continued from page 1)

it placed efforts to restructure Soviet society "in jeopardy."

The issues surrounding the nationalities problem are confusing, as demands for greater independence from Moscow's rule become entangled with outbursts of long simmering ethnic conflicts.

The demonstrations and strikes in Georgia started after a group in Abkhazia, an autonomous republic governed by Georgia, demanded last month the right to secede and become an independent republic.

Ethnic Georgians, who greatly outnumber Abkhazians in the autonomous region of 500,000, began to stage counterprotests, with some people accusing Moscow of orchestrating the Abkhazian uprising through the local Communist Party.

The sentiments eventually drifted away from anger with Abkhazia and evolved into a passionate call for more political and economic autonomy from Moscow, with the hunger strikers voicing the most extreme demand: to break from the Soviet Union and establish an independent government.

People who have been taking part in the protests said in telephone interviews that demonstrators were upset by the presence of troops, tanks and armored vehicles that had been stationed around the streets of Tbilisi.

Around 4 A.M. Sunday morning, they said, with the streets still lit by the moon, troops began urging the crowds outside the main government building to break up and go home. After their repeated requests were defiantly ignored, the soldiers became agitated and began exchanging shouts and insults with the demonstrators.

The soldiers then tried forcibly to disband the crowd, but as they pushed at people, people pushed back, and suddenly, witnesses said, the troops were randomly flailing clubs at the demonstrators.

POLICY: *Bush Policy Review Recommends Caution on Eastern Europe*

(Continued from page 1)

urge a cautious U.S. approach that one described as "the lowest common denominator" acceptable to both the conservative and more liberal advisers to Mr. Bush.

A senior official said, for example, that the roughly 30-page report on the Soviet Union urged that U.S. policy "should not be designed either to help or hurt" Mr. Gorbachev.

Others explained that this recommendation was intended to sidestep a dispute between some State Department officials, who believe that the United States can help bring about lasting Soviet political change through enhanced economic cooperation, and some Pentagon officials, who prefer to turn current Soviet troubles to U.S. strategic advantage.

"The consensus is that we should make assertive challenges to the Soviets to put into effect their new thinking on a broad range of issues," an official said, noting that these would largely consist of those raised by the Reagan administration, like human rights, emigration, regional issues and arms control. "We'll have more ambitious goals within the existing framework."

This prescription was said to be based on an assessment that Mr. Gorbachev would probably remain powerful for at least the next three to five years, but that he would also be preoccupied by internal economic difficulties.

The report was skeptical, however, that U.S.-Soviet trade could or should be dramatically increased, partly because of wide economic differences and what one official described as "their inability to make sufficiently profitable deals."

Only officials at the Commerce Department — apparently not including Secretary Robert A. Mosbacher — supported calls by some prominent business and Jewish leaders for a waiver of Jackson-Vanik trade restrictions with the Soviet Union, the officials said.

Other officials said that the roughly 25-page report on Western Europe did not support growing calls in some member nations of the North Atlantic Treaty Organization for dramatic reductions in NATO forces, in concert with larger cuts in Warsaw Pact forces.

The report indicated that the West probably needs to develop a new proposal on conventional arms cuts that has more political appeal than the cautious call last month for 5 to 10 percent reductions in three types of weapons.

But they said that the report also reflected the administration's skepticism that negotiated cuts of the order of 40 to 50 percent would serve U.S. security interests.

A similar report on Eastern Europe did not embrace a controversial formula advanced by Henry A. Kissinger, the former secretary of state, in which the United States would provide assurances to the Soviet Union that democratization in the East bloc would not be answered by new Western challenges to Soviet security.

Indications last month that such a plan was under consideration brought substantial private protests from West European governments and emissaries of Hungary. Their concern was that any U.S.-Soviet deal could interfere with democratic changes in the region.

The report supports the Bush policy of "differentiation," or support for those East European nations taking the greatest steps toward democratic change. Several officials who said a likely decision to grant Poland and possibly Hungary a "generalized system of preferences" designation, lifting tariffs for certain goods, was "consistent" with its recommendations.

JAPAN: *A New Breed of Leaders*

(Continued from page 1)

servative party or a new faction under the Liberal Democratic umbrella. Recent demands that Japan withdraw from a project to co-develop the FSX jet fighter with the United States are also seen as a sign that the Liberal Democratic leadership is losing its grip.

"Proposals like these represent a basic loss of control by the party's leaders," said Michael J. Green, a scholar specialized in Liberal Democratic policy-making. "There's a real sense of weakness among those who would normally prevent these things from happening."

This open rebellion in part reflects a fear of major losses in coming legislative elections. Ironically, the most severe setbacks for the Liberal Democrats are expected to be sustained among untainted first-term lawmakers who won parliamentary seats in the governing party's landslide victory in 1986.

But it is at the other end of the party that the scandal cuts deepest and most directly. In seeking influence in Tokyo, Recruit Co. offered shares in its real estate unit before its public listing not only to the generation of politicians that now lead Japan, but to many of those just behind them as well.

As a consequence, those quickly gaining a voice in the party are fourth- and fifth-term legislators who would ordinarily not have assumed senior party or government posts for another decade. And as the confidence of this group grows, some party leaders are seeking a formula by which they can be assimilated into the leadership.

Former Prime Minister Takeo Fukuda first signaled this process when he announced several weeks ago that he would retire from the legislature to permit his son to succeed him. Party sources said he has since suggested quietly that he reassume the prime ministership to oversee a youthful cabinet that would serve to revitalize the party.

Many politicians and analysts believe that a newly internationalist leadership will emerge as younger legislators leapfrog into more prominent party and government positions. Those with such a perspective will have to contend, however, with populist conservatives of the same generation but with opposing views on many issues.

The latter group is not without support. In an opinion survey released last week, more than three-quarters of those polled said that Japan had liberalized its markets too quickly in recent years and that Japanese leaders were too responsive to pressure from abroad.

Just how much influence younger leaders will come to assert once the scandal passes is unclear. What is finally at issue is whether Mr. Takeshita or his successor, like other postwar prime ministers, can continue to guide policy within a framework based chiefly on the maintenance of close relations with the United States.

"The more Recruit weakens the Liberal Democratic leadership, the closer we are to a free-for-all on policy," Mr. Green said.

SINK: *Submarine Fire Killed 42*

(Continued from page 1)

ters could have reached the ship several hours before Soviet vessels did if the Soviets had asked for help quickly.

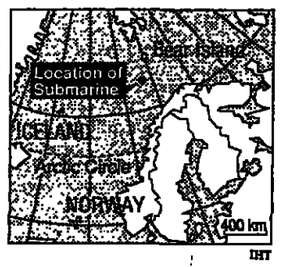
Survivors were rescued by two Soviet fishing trawlers and what appeared to be an electronics-equipped research vessel, the Norwegians said.

A Soviet warship took them to the northern fleet headquarters in Murmansk on the Barents Sea, according to Soviet officials.

Norwegian officials complained that Moscow was slow to inform them of the incident. The official word came nearly nine hours after the submarine sank.

"The information we have had from the Soviets has been accurate but very scanty," said Knut Almestad, a Foreign Ministry official. "We would have liked to have had information earlier, and in greater detail."

Soviet reports said that the submarine, under the command of Captain E. Vanin, was on its way home from a long voyage when a fire broke out in the seventh compartment. The crew fought the blaze for five hours.



IHT

Norwegian officials said that an explosion occurred on the ship after the fire spread, and that it listed, sank and probably broke up.

Mr. Senstad said that Norway had not been certain whether the Soviet submarine was experiencing an emergency or conducting a rescue drill until the Orion observation plane made its first overflight after the ship sunk.

TERROR: *List of Suspects*

(Continued from page 1)

the Gulf last July, with all 290 passengers killed. Libya has vowed to avenge U.S. air raids on Tripoli in April 1986 that just missed the Libyan leader, Colonel Moammar Gadhafi, as well as the U.S. downing of two Libyan fighter jets over the Mediterranean last January.

Mr. Jebril has also threatened to attack Israeli and American airlines. Fourteen of his agents were arrested in West Germany in October in possession of plastic explosives and radio-cassette units similar to those used in the Pan American bombing.

One indication of hardening U.S. suspicions about the involvement of Jebril agents came on March 3, when two U.S. military attachés from the U.S. Embassy were caught with a camera, binoculars and telephoto lenses outside a Popular Front training camp, 40 kilometers from Damascus.

End of an Era For Journalism On Fleet Street

Reuters

LONDON — Fleet Street, the longtime center of British journalism, has produced its final edition.

On Sunday, the Sunday Express moved across the Thames River along with its sister papers, the Daily Express and The Star.

They will be produced in a high-technology building in the newly developed Docklands district, where The Times, the Daily Telegraph and the Financial Times have already relocated.

The origins of Fleet Street go back 500 years to Wynkyn de Worde, who opened a printing shop in the area. Other printing and publishing businesses set up business on the narrow streets of the neighborhood, and in the 19th century it became home to many major British newspapers.

The Express building was bought by The Guardian Exchange Group and a Japanese property developer for £80 million ($136 million). They are expected to preserve its distinctive facade, which experts consider a masterpiece of 1930s Art Deco design.

TAXES: *Spanish Option*

(Continued from page 1)

government and the Spanish bishops conference as a way of easing the church's dependence on direct state funding. It was initially intended as a three-year transition measure toward cutting all state-church financial ties.

Some critics complain that Spain's 200,000 Protestants, as well as its Jewish and Moslem communities, are discriminated against under the religious tax. There is no similar provision for other faiths.

Others share the view of the daily El País, which said in an editorial that the present situation is "both a privilege and a humiliation" for the church, which ought to stop being a burden on taxpayers and start preparing to become wholly self-financing.

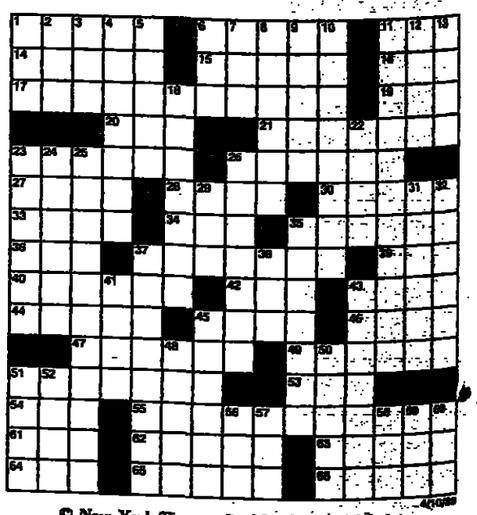
The dwindling sway of Roman Catholic teachings in Spain is reflected even in church-sponsored opinion polls, including one last year showing that 82 percent of those under 21 believe that premarital sex is acceptable.

In 1974, Spain had Europe's highest birth rate, but with an average now of two children per family, it ranks on a level with Protestant countries in Europe, revealing widespread disregard for church strictures on contraceptives.

"We have fallen into a 'supermarket Catholicism,'" Father Ortega said. "People are picking and choosing among what suits them as if our doctrines were cans of vegetables."

ACROSS

1 Scent
6 Marine hazards
11 Red felt hat
14 Seraglio
15 Check the books
16 City on Long Island Sound
17 Madrid dish
19 NOW cause
20 Black cuckoo
21 Stream bed
23 Tap
26 Of atomic spatial relationships
27 Roll-call response
28 Barriers
30 A companion of Porthos
33 Goddess of discord
34 Kimono sash
35 Michelangelo's "David," for one
36 Urban transport
37 Wrap with bandages
39 Giant of a Giant
40 Destroyer's depth charge
42 Turn to the right
43 Abstain from food
44 Lukewarm
45 Pay attention
46 Donkey, in Dortmund
47 —— out (selection process)
49 Chin whiskers
51 Kind of table
53 Outer: Prefix
54 Author Levin
55 Leeds reed instrument
61 Obtain
62 Vexes
63 Fortification
64 Equal: Prefix
65 Curl the lip
66 Wipe out



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Solution to Friday's Puzzle

D	E	M	S		F	O	R	M	A	T		I	F	S
A	R	E	A		A	L	I	O	T	O		N	O	A
W	O	R	K	I	N	G	G	I	R	L		T	U	X
E	D	G	E	S		A	B	R	I	D	G	E	R	
S	E	E	S	A	W		Y	E	A		U	R	S	A
			W	H	O				M	I	L	O	S	
	O	F	A		A	L	I	C	E	A	D	A	M	S
	M	I	L	D	R	E	D	P	I	E	R	C	E	
K	I	T	T	Y	F	O	Y	L	E		Y	E	S	
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A	S	I	R		B	R	A		O	Y	S	T	E	R
	I	N	S	U	L	A	T	E		N	O	O	N	E
T	O	G		M	A	D	A	M	E	C	U	R	I	E
A	N	I		P	S	A	L	M	S		S	U	D	S
U	S	N		S	T	R	E	A	K		E	S	S	E

DOWN

1 Cries of surprise
2 Knock
3 "—— pro nobis"
4 Households
5 Kind of acid or resin
6 Bowl call
7 A cont.
8 Decrees
9 Peg or pin for Pierre
10 Type of salt or ester
11 Sedan snack
12 Fictional Jane
13 Fervor
18 Type of job action
22 Actress Naldi
23 Jewish month
24 Read
25 Sligo vegetable
26 Small amount
29 Arabian garment
31 Observe better
32 Colonize
35 Hammers
37 Dealers in equine products
38 Poor grade
41 Killer: Comb. form
43 Kind of bed
45 Cavil
48 Kingsley's "—— White"
50 Pigment for Constable
51 Lerner-Loewe song: 1958
52 Greek Mars
58 Light-Horse Harry
57 Locale of Acre: Abbr.
58 Room in 14 Across
59 Headland
60 Compass pt.

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(Continued From Back Page)

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Withdrawal of SWAPO Fighters to Start

By William Claiborne
Washington Post Service

WINDHOEK, Namibia — South Africa assured black nationalist guerrillas fighting in northern Namibia on Sunday that they would have six days of safe passage to surrender their weapons to United Nations peacekeepers and be transported to their bases in Angola.

Delegates from South Africa, Cuba and Angola agreed in a day-long meeting at a wildlife reserve north of Windhoek that after the deportation was completed, the seven-month process of setting up elections for an independent Namibia would resume on schedule.

The meeting was also attended by Chester A. Crocker, the U.S. assistant secretary of state who brokered the Dec. 22 regional peace accord. The decision came after Sam Nujoma, leader of the South-West Africa People's Organization, ordered the withdrawal from Namibia of the survivors of an estimated 1,800 armed rebels who crossed the border on April 1, the day the independence process was to have begun.

Nearly 300 guerrillas and 26 members of the South African-led security forces have been killed in nine days of fighting in Namibia near the Angolan border.

The South African foreign minister, R.F. Botha, said he did not know exactly when the withdrawal of the SWAPO fighters would begin, but that he thought some may have already have begun to head for the border.

Hanna Vierula/The Associated Press

Finnish troops boarding a U.S. Air Force jet Sunday in Helsinki to join the UN forces in Namibia.

Mr. Botha said that the signatories to a declaration drafted Sunday at the Mount Etjo Game Lodge expected to be informed by SWAPO by April 15 "about the conclusion of the removal of its forces from the territory of Namibia."

On Saturday night, in a statement issued in Luanda, Angola, Mr. Nujoma said that he had ordered his guerrillas to leave Namibia in the next 72 hours.

Under the Mount Etjo agreement, the SWAPO fighters are to make their way immediately to eight assembly points on the border and 10 other locations south of the border and surrender their weapons to members of the UN Transition Assistance Group.

Supervision of the assembly points will be shared by territorial police and army personnel designated by the South African-appointed administrator-general, Louis Pienaar.

Mr. Botha said that Angola had committed itself to ensuring that the guerrillas who demobilize at the border are transported by truck to SWAPO bases north of the 16th parallel, about 160 kilometers (100 miles) north of the border. Those who surrender at assembly points further south will be flown to the bases under UN supervision.

Mr. Pienaar and the UN special representative in Namibia, Martti Ahtisaari, will be jointly responsible for verifying the numbers of guerrillas returned to Angola.

"We are not going to accept anybody's word on this," Mr. Botha said. "It will have to be verified."

Peres Says PLO Part of Talks, Indirectly

By Edward Cody
Washington Post Service

JERUSALEM — Finance Minister Shimon Peres said Sunday that the United States had assumed a role as mediator in what were in effect indirect negotiations between Israel and the Palestine Liberation Organization.

Mr. Peres's comment, on Israeli radio, marked an assessment of the peace efforts being discussed in Washington that seemed to depart considerably from Prime Minister Yitzhak Shamir's adamant and repeated refusal to negotiate or allow contacts with the PLO.

Mr. Shamir presented President George Bush with proposals on Thursday for elections in the Gaza Strip and West Bank and said the vote would produce Palestinian representatives to negotiate with Israel on a plan for interim autonomy. Mr. Bush said Mr. Shamir also understood that this would have to be followed later by more talks on the territories' final status.

Mr. Shamir suggested that Palestinian candidates from Gaza and the West Bank would be free to choose their own politics, Mr. Bush reported, presumably including loyalty to the PLO but that delegates from the PLO leadership under Yasser Arafat could not be negotiating partners. This continued long-standing Israeli policy barring talks with the PLO.

Mr. Peres, the ranking minister in the coalition government from the left-of-center Labor Party, said, however, that an undertaking by the Bush administration to pass Mr. Shamir's proposals along to the PLO amounted to mediation and indirect negotiations no matter how Israel qualified it.

He seemed to expect that the United States also could relay PLO counterproposals back to Israel if Mr. Shamir's election idea takes hold.

"The United States is at this moment a mediator between us and the Palestinians, including the PLO, even though this isn't to our liking," he declared.

The difference between Mr. Shamir and Mr. Peres was, on the surface, little more than a different way of describing the process that seems to be taking shape. But the subject was highly delicate in Jerusalem because the PLO long has been demonized in the Israeli mind and Mr. Shamir's Likud Party has been identified with a firm resolution never to deal with the Palestinian leadership under Mr. Arafat.

That stand, which is official Israeli policy, has come under increased questioning abroad since the PLO recognized Israel and renounced terrorism last fall. After the PLO took its new positions, the United States abandoned a 14-year boycott and in December opened a series of meetings with PLO representatives in Tunis.

Israeli military authorities, meanwhile, reported that two more Palestinians had been killed and a dozen injured on the second day of a two-day general strike marking the start of the 17th month of a revolt against Israel's occupation of Gaza and the West Bank.

■ Shamir Reaction

The Associated Press reported from Washington that Mr. Shamir, asked about Mr. Peres's comments, said: "Well, I don't know what Shimon Peres said. And I will refrain from any comments on his words. I have to be cautious."

Mr. Shamir also said he could not imagine holding elections among Palestinians in the West Bank and Gaza Strip as long as the Palestinian uprising continued.

While Mr. Shamir renewed his offer to allow Palestinians to elect representatives who would negotiate self-rule in the territories under continued Israeli authority, he said it would be at least three years before talks could begin on the future of the territories.

"I cannot imagine that elections will be possible under the pressure of violence," he said. "You cannot have at the same time violent manifestations and free, democratic elections."

■ Soviets Dismiss Proposal

A Soviet Foreign Ministry spokesman, Gennadi I. Gerasimov, has said that Mr. Shamir's plan for Palestinian elections in the West Bank and Gaza was unworkable, Reuters reported from London.

"It's a stillborn child, a stillborn idea," Mr. Gerasimov said on a television show. "It cannot work because you cannot really solve the Palestinian problem without the PLO."

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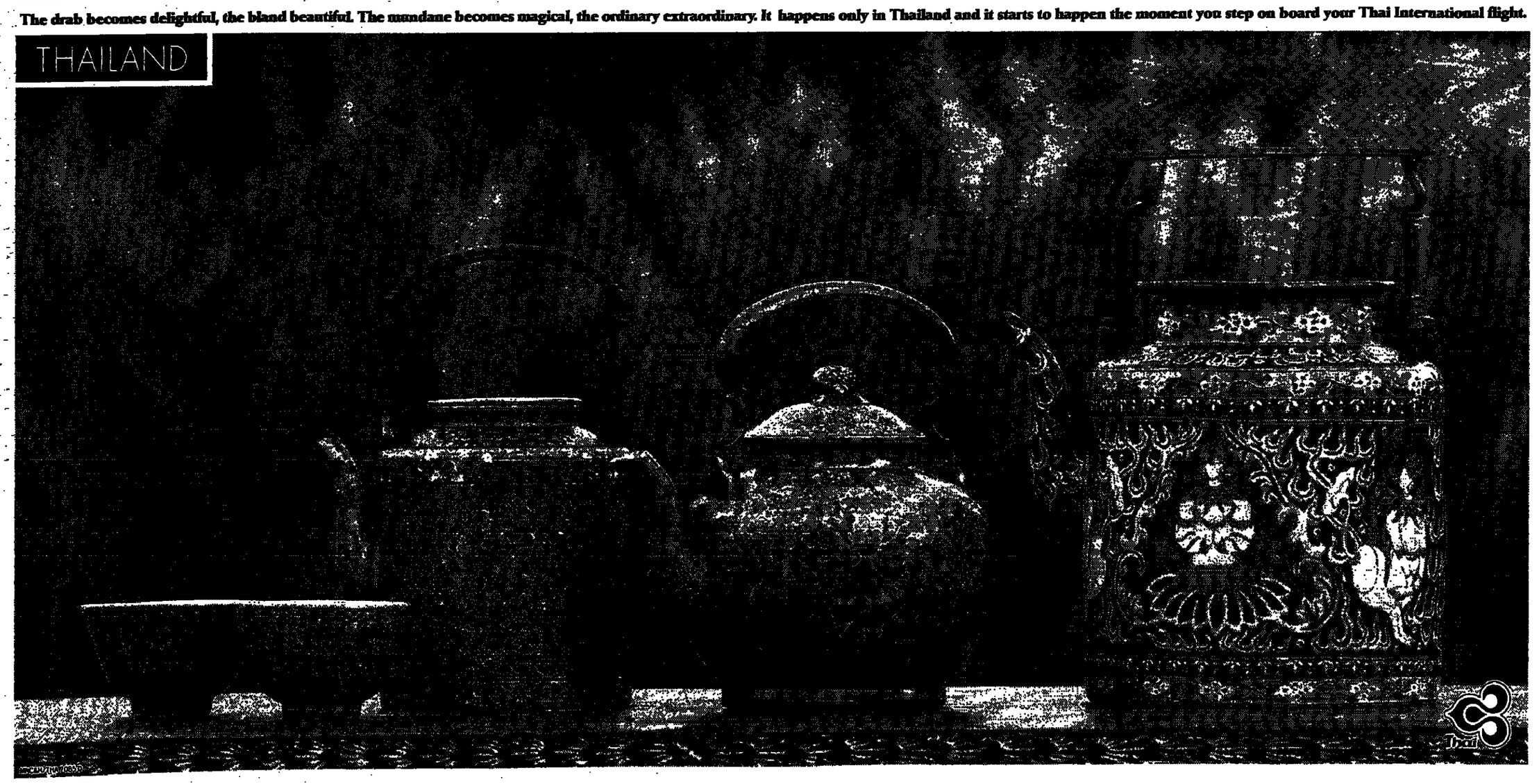

Herald INTERNATIONAL Tribune
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OPINION

The Persuasion of Israel

The United States favors an exchange of territory for peace in the Arab-Israeli dispute. Israel prefers territory. At some point, it may no longer be possible to avoid a direct American-Israeli confrontation on that overhanging issue. Meanwhile, however, the two governments are taking a more muted approach. Prime Minister Yitzhak Shamir, visiting Washington last week, proposed a short-range plan for West Bank elections to choose Palestinians to work out limited self-government. President George Bush, inclined anyway to take small steps to improve the atmosphere in which more ambitious talks might prosper, accepted this as an advance on the previously frozen Israeli position and agreed to postpone grander initiatives.

So there is a short-term consensus, and perhaps this is not a bad way to begin. Mr. Bush secured from Mr. Shamir a specific pledge to respect the results of elections held in the West Bank. This is a breakthrough, since Israel canceled the results of the last elections and since new elections are virtually certain to elevate the bane of its existence, the PLO, which Israelis alone deny speaks for Palestinians. Mr. Bush also seems to have made a heavy commitment — if he hasn't, he has made an immense error — to the core proposition that these elections will lead on to negotiations on the final status of the occupied territories. "All proposed options," he got Mr. Shamir to say, are open.

The West Bank Palestinians conducting the *intifada* and the PLO in its organizational aspect are deeply distrustful of this approach and with reason, given the distrust and hostility that many Israelis and certainly the Israeli government have shown to Palestinian political goals. But two further considerations press on them. With the new U.S. administration now having charted a policy, there can be no reasonable expectation that an alternative will be explored until this one runs its course. Then, though the route of elections to set up local self-government constitutes a kick in the teeth to Palestinian aspirations for nationhood, it also constitutes a process that could take on a dynamic of its own. This is the slippery-slope argument: start down the path of *consulting the Palestinian people* and there is no stopping short of a Palestinian state.

No stopping, that is, if the Israeli people come to believe — and for all of the PLO's new words, many Israelis still need to be persuaded — that a political settlement satisfactory to Palestinians is safe for them. To assist in the persuading is the large and difficult task facing President Bush.

— THE WASHINGTON POST.

The Steps Worth Taking

Neither Palestinian leaders nor the Shamir government can be particularly happy about the general state of Arab-Israeli negotiations. But following Prime Minister Shamir's visit to the United States, each side has *something to hang on to, and mark* as a real beginning.

There's something for Palestinians to like: Mr. Bush's statement that, while he will not support an independent Palestinian state, he opposes "Israeli sovereignty over or permanent occupation of the West Bank and Gaza."

There's also something for Israelis to like: Mr. Bush's backing of the Shamir plan for elections in the West Bank and Gaza Strip to establish Palestinian qualified self-rule.

Elections make sense for both sides as an interim measure. But for elections to work, much more has to be done, and Secretary of State James Baker has the right idea. The parties need to take reciprocal steps to change the atmosphere and build mutual confidence. That critical element was missing from the Bush-Shamir talks; that's the element the Bush team needs to keep pushing.

Mr. Baker began the latest round of negotiations three weeks ago reiterating his belief that Israel must at some point negotiate with the Palestine Liberation Organization.

President Hosni Mubarak of Egypt followed up with a trip to Washington. His goal was to press for an international conference soon to arrange a comprehensive settlement. Mr. Bush said that such a gathering, if properly structured, might be of help at some point, but that meanwhile "a new atmosphere must be created." He also turned up the heat on Mr. Shamir by calling for an end to Israeli "occupation" of the West Bank and Gaza.

Mr. Shamir answered with a two-stage plan: First, Israel would hold democratic elections of Palestinian leaders in the occupied territories. Those elected would negotiate arrangements for limited autonomy.

Second, after an interim period, talks would begin on "a permanent agreement." He stressed, however, that this final arrangement would not include Israeli departure from the territories. The proposed elections would be supervised by Israel. But the Palestinians could never accept this, and it's likely that Mr. Shamir will give on this point.

The real problem arises on the link between elections and the Palestinian uprising. Mr. Shamir did not explicitly condition an election on the end of the *intifada*, but came awfully close. It's not at all likely that the Palestinians would simply leave the streets; the uprising is how they keep the world's attention fastened on their plight. Neither can Israelis reasonably be expected to grant even limited self-rule under such pressure.

The way to bridge the gap is step by step, with Mr. Baker's confidence-building measures. The PLO could stop military attacks across the Lebanese border into Israel in return for Israeli cessation of attacks into Lebanon. Uprisings might stop in certain Palestinian cities if Israel agreed to stop military patrols in those cities.

Israel could also continue to release Palestinian political prisoners, as it did last week, and reopen Palestinian schools. In turn, Palestinians could openly work with Israelis in matters like medical care and transportation.

Elections in the occupied territories would represent a genuine Israeli concession and a practical intermediate goal for Palestinians. But the idea of elections alone will not clear away the mistrust. To get somewhere, both sides need assurance that the obvious inherent risks are worth taking. Enfolding elections in the context of other measures can nurture that assurance.

— THE NEW YORK TIMES.

Wanted: U.S. Arms Plan

Another year could soon be lost in the long-overdue restructuring of the U.S. military budget. The secretary of defense has had too little time on the job to make the major decisions, and the study the new administration wisely undertook of strategic and foreign policy goals is still unfinished. Soviet policy is shifting. Serious conventional arms reduction talks have begun in Europe, and strategic arms reduction talks will be resuming. It is not an easy time to cut the military budget unilaterally, to know which weapons and forces should be kept and which can safely be dispensed with.

Yet the budget clock ticks on. A Pentagon funding bill of some kind has to be passed this year and, in theory, the deficit has to be reduced. The services continue to *try to stuff 60 pounds of feathers in a 50-pound bag*; the money in sight will not support all the weapons on which they have begun work and the forces they want to maintain. Ronald Reagan and Caspar Weinberger refused to recognize the problem, transferring choices and pressure to a Congress ill-equipped to deal with either. The choices — the thinning — out of the services's wish lists, the easing downward of their long-range goals, the squaring of policy with fiscal reality — largely failed to be made. Mr. Weinberger's successor, Frank Carlucci, began the painful process in Mr. Reagan's last year, but took only modest first steps.

Now, like much else that Mr. Reagan postponed, it is left to George Bush and a not yet fully prepared Dick Cheney. Some useful decisions have been made. Initial production of the Stealth bomber has been delayed. The air force wants 132 of these B-2s at a reported half a billion dollars each, but is having enough trouble now with the new B-1. But even this is only a temporizing decision; it blinks the threshold question of whether to build the expensive B-2 at all. There are similar fundamental issues to be resolved with the land-based leg of the strategic triad, the inherited Strategic Defense Initiative, the goal of a 600-ship navy built around 15 carrier battle groups, new generations of attack submarines and tactical aircraft and much more.

Mr. Bush has made the problem harder by edging away from the position he seemed to take in the campaign, that he would settle for no real growth in defense, just increases equal to inflation. Now that turns out to be for one year only. Then he will seek further real increases. The revised promise may be useful to him politically and in bargaining with Congress over defense versus domestic spending, but it does not help in disciplining the defense department.

The military buildup of the latter 1970s and early 1980s was necessary, even if not always well enough thought out. The arms budget should not again become a piggy bank for financing domestic programs in hard times. At the same time the longer-range plans of the services badly need to be brought back to earth. The longer the new administration waits, the harder it will be to achieve this deflation, the more it may cost and the less rational the resulting array of U.S. forces will be. Mr. Bush and Mr. Cheney need a plan.

— THE WASHINGTON POST.

Other Comment

Namibia: Rectify the Bad Start

The UN peace-keeping operation in Namibia has had a tragic start for which many must share responsibility. But the task now is to get the peace plan working again. South Africa is wrong to argue that the election schedule cannot be met. SWAPO can contribute by seeing *that the agreement is* respected. The United States can pay its share of the peace-keeping funds, most of which is locked up in congressional budget balancing imperiled by the Gramm-Rudman-Hollings rules. Congress must, like President Bush, realize that this assessment of $129 million is small by comparison with the cost of a failed mission and a foiled peace plan.

— The Los Angeles Times.

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The U.S.-Moscow Talks: Not Listening

By Flora Lewis

MOSCOW — The United States and the Soviet Union have never talked on so many wavelengths as they do now. But a week here shows they aren't hearing each other on the essentials.

What Mikhail Gorbachev said in London about his concern over the "pause" in Washington's policy was a muted, diplomatic version of the urgent message here. Put bluntly, it is that domestic uncertainties require continuous reassurance that the Soviet Union isn't facing failure in relations with the United States.

This is critical for Moscow. Unable to offer reasonably stocked shelves to his people as evidence that perestroika will improve their lives, Mr. Gorbachev needs to show that he is rescuing them from danger.

The prospect of disarmament, relief from fear of war, however hyped, are his great achievements so far for his constituents. They are his decisive audience. From Moscow's point of view, "Gorbymania," which seems to worry some factions in the West, is above all an asset for domestic politics.

So preoccupied are officials here with their extraordinary attempt at internal transformation *that they aren't understanding what they* hear from Washington. They haven't grasped the valid American reasons for an overall review and the need for consensus between the administration and Congress.

Basic decisions about U.S. strategic forces were shunted aside during the Reagan years, while negotiations went on with Moscow as though the worlds of U.S. defense policy and foreign policy would never meet. At last, Washington is trying to form a coherent whole so it can proceed to some useful conclusions. Secretary of State James Baker is thinking from the start about getting a political basis for ratification of the treaties ahead. That's how he operates.

He spent 40 days in quiet negotiations with Congress on the relatively minor matter of dealing with Nicaragua. That's how to make the U.S. system of divided powers work in foreign affairs.

But the Soviets are thinking of past zigs and zags, from Mr. Nixon to Mr. Carter to Mr. Reagan defiant to Mr. Reagan complaisant. They are concerned about surprises that might undermine the one tangible result of perestroika so far: improved relations with the world.

The Western debate about "helping Gorby" misses the point. There are arguments within the Soviet establishment on how much economic reform should look to foreign credits and trade for momentum, how much must first come from daring, socially risky internal change. Moscow is plunging into the unknown. But there is no argument about the need for good relations with the West, above all the United States, and a stable foreign environment.

Surprisingly to me, there is far less worry about the danger of upheaval in Eastern Europe scrambling Mr. Gorbachev's plans than there is in Washington. On the contrary, senior Soviet advisers say they see developments in Hungary and Poland as helpful, harbingers of what must come in all communist societies. Henry Kissinger's suggestion for some kind of American guarantees on Eastern Europe meets with uniform distaste in Moscow. I think it's a bad idea for many reasons.

Soviet reasons combine fear of reaction against what would be seen as another attempt at superpower condominium and a feeling that it would be a hidden excuse for possible intervention by the United States.

American reasons should be: 1) It isn't feasible. What is to be guaranteed, survival of the regimes, a military buffer zone, Eastern European dependence on the Soviets? How? 2) It isn't moral. The United States cannot enter into collusion with Moscow to block Eastern European aspirations for democracy and freedom. The French are right to call the notion a second Yalta.

And 3) It isn't wise. Western Europe has achieved a historic conciliation of rival nationalisms by willing accommodation. War among those states has become inconceivable. Nothing of the sort has happened in the East because Moscow's dictatorship worked against it, leaving deep instabilities.

Outside guarantees would work against the necessary evolutionary process, within the East and between East and West. Mr. Baker's statement that he would "consider" the proposition worries the Soviets. They took it as endorsement.

Washington cannot and should not make major defense decisions with great domestic political implications in haste just because the Soviets are in a hurry. But it should explain publicly its real reasons for delay, not doubts about the wisdom of dealing with Moscow and the direction of policy.

Mr. Baker will be in Moscow on May 10-11 to continue the dialogue. It is crucial that he make these considerations clear. That is the soundest way at this stage to "help" Mr. Gorbachev transform the Soviet Union into an acceptable world partner.

The New York Times.

'Hold it — I've been kinda out of the loop the last eight years.'

South Africa Is Poised for Leaps Toward a New Beginning

By Willem de Klerk

The writer, a former editor of the newspaper Die Transvaler, is a communications professor at Rand Afrikaans University, a leading member of the new Democratic Party and the older brother of Frederick W. de Klerk, the National Party leader.

JOHANNESBURG — It is dangerous to be prescriptive in South African politics. In liquid and dynamic situations, there are often several options and routes for the achievement of political goals. A fact that cannot be denied, however, is that new doors have opened for South Africa.

The stabilization of southern Africa is relieving the tension in the area, and a summit meeting between leaders of southern African states and South Africa is a strong possibility. New agreements may be reached.

The era of glasnost and perestroika brought about a definite reconsideration in the camp of the African National Congress. The option of violence is suppressed by the option of negotiation and the willingness to compromise. Spokesmen for the ANC are making careful statements that they agree that all factions of the South African population must be represented at the negotiation table. And in a widely circulated document, the ANC has speculated about a state economic policy that moves away from classical Marxism.

The attitudes of the Bush administration and the Thatcher government show a strong tendency toward a negotiated settlement. It appears that they will work behind the scenes to encourage such a settlement.

President Pieter W. Botha has announced his intention to step down after the parliamentary elections he has called, expected between late July and early September, although no date was set. It is expected that the reins will pass to Frederick W. de Klerk. This will bring about a change in South Africa's political system. Reform politics will become a priority and new initiatives to compromise are expected and promised, although what is not exactly clear.

The new Democratic Party, established Saturday, was a merger of three white anti-apartheid parties. There are sufficient indications it will turn out to be a very active pressure group fighting discrimination. With the cooperation of a large part of the black political factions in that effort, a foundation could be laid for starting a meaningful negotiation process.

Doors have been opened and this has changed the political climate in South Africa from despair to optimism within the course of a few months. There is a realization that we can find a way out of the cul de sac.

To do so, however, South Africa must risk a political leap. The method of gradual and small steps in the right direction tends to lose momentum and impact. The slow approach is no longer credible, and it fails to get the entire political system moving.

It is expected that a new government headed by Frederick de Klerk would consider such a leap. I am not so certain of this, however, because the new government would still be too concerned with the concept of four separate races (white, Colored, Asian and black) as building bricks for a future constitution. But there is a growing awareness in government circles that this model will not bring about a political settlement, so there could be steps taken to move the country away from basing laws on race.

Following are some of the "leaps" that should be taken in the next year:

- The release of the ANC leader, Nelson Mandela, and the later release of other political prisoners. Black and white radicals must then agree to a moratorium on violence.
- A lifting of the state of emergency and a lifting of the ban on prohibited organizations, assuming that they agree on a policy of nonviolence. Maintenance of law and order under the supervision of the courts must always receive high priority.
- A statement of intent from the government saying, in effect, that the government is a transitional one that would, by means of immediate co-option, involve blacks to a strong degree in the decision-making process at all levels; that all discrimination laws will be repealed within a short time, and that a forum for negotiation will be created with the goal of working on a new democratic constitution. The new leadership would assure that the new constitution would be based on a nonracial democracy with voting rights for all. The democracy would accommodate minority groups, such as the white, Colored and Asian populations, by creating a representative federal government and a charter of human rights that respects different languages and cultures. In addition, the government would voice its support for equal opportunities in education and in economic ventures.
- Creation of a negotiation forum representative of all political groups recognized by the public as leaders. Consensus recommendations would be phased in step by step. National and local elections open to all would take place after an extensive transitional phase. This phase might go on for a decade, and blacks would have to accept it as part of the compromise.

By taking these leaps, South Africa could take a turn in the direction of a new beginning. Such national reconciliation, aided by a lifting of international sanctions, can open sources of prosperity and stability for South Africa.

The Los Angeles Times.

The Reasons Why Many Koreans Hate Americans

By Sung Chull Junn

WASHINGTON — When I was growing up in Korea in the 1960s and early '70s, America was the symbol of all good things: It was strong, moral and generous.

Today, TV news reports in which Korean students burn the American flag — now a near-obligatory ritual in their demonstrations — have become familiar scenes to Americans. To the dismay of many Americans, most young Koreans attending the Seoul Olympics openly and enthusiastically supported the Soviet Union's athletes rather than the Americans'.

Why do these young Koreans, unlike their parents, dislike America so intensely? Here in America, that question should be of more than academic interest. Korea seems destined to become one of the world's most powerful economies by the end of the century. That economy will be run tomorrow by those same students who are burning the American flag today. For that reason alone, anti-American sentiment should be viewed by the Bush administration as a potentially serious foreign-policy challenge.

Perhaps the best way to explain this turnabout in attitudes is to review, adjective by adjective, how America's earlier image has collapsed under the weight of events, perceptions and culture clashes.

- Strong. America, our staunch ally during the Korean War, was the symbol of unyielding and undefeated power that could be relied upon. Young Koreans today have no memory of the Korean War, but they remember Vietnam, where the American image of strength was shattered by its seeming willingness to abandon an ally and admit defeat in Southeast Asia. This image of an impotent America was further reinforced by the inability of the United States to exercise its power effectively in other parts of the world, from Iran to Central America.
- Moral. Older Koreans grew up hearing about George Washington's cherry tree and how honesty formed the underpinnings of American society. The Puritan ethic of sexual moderation and hard work commanded respect from me and my elders. But what young Koreans see today is quite different. Soap operas broadcast by the American Military Television Network, which a vast number of Korean students watch to learn English, contain sexual extravagance and moral deviations (such as love affairs between in-laws) which directly violate the traditional morality of Koreans. News stories about homosexuality, AIDS, drugs and violent crime have tarnished America's image as a moral leader.

Another blow to the image of morality was suspected U.S. support for the former Korean president, Chun Doo Hwan, a thoroughly despised dictator. These suspicions were especially acute during the Kwangjoo incident *in 1980* in which some 200 Koreans were killed by soldiers in the violent suppression of a citizens's revolt against Mr. Chun. In the highly homogenous Korean society, as much as in any other society, such massive killings of countrymen are not condoned under any circumstances.

- Generous. For decades, the United States gave unsparingly to its Korean ally. That aid stopped long ago and has been replaced by ever-accelerating demands for the removal of trade barriers. In the eyes of Koreans, American demands are far out of proportion to the relative wealth of the two countries. Korea, still a debtor country, recorded its first trade surplus in its modern history only in 1986. After many years of destitution, Korea may not yet be ready mentally to be treated as an equal.

Although quite a few Korean intellectuals understand America's need to reduce its trade-deficit problem, and some of the resultant trade demands, to most Koreans, America is still the wealthiest country on earth. Korea, by contrast, is a country barely lifting itself out of its once-heavy foreign debt. It is hard for most Koreans to believe America finds it necessary to demand aggressively — even with the threat of retaliation — that Korea provide open access to its market in order to reduce Korea's $9 billion trade surplus with the United States. For example, the benefits to America from access to Korea's beef market would be negligible by any standard.

In short, to many young Koreans, the United States, far from being strong, moral and generous, is now impotent, immoral and stingy.

For countries to remain true allies, their people as well as their governments must remain friends. What can America do to keep the people of Korea, especially the young, as friends?

One important step would be for the United States to agree to appear at a Korean congressional hearing *into the* Kwangjoo killings, or otherwise explain its involvement or noninvolvement in that incident. Until this happens, America will continue to be perceived by many Koreans as a co-conspirator in that tragedy.

The United States should also declare in no uncertain terms that it does not and will not support another dictatorship in Korea.

Another helpful change would be for the Armed Forces Television Network in Korea to be transmitted by cable to military bases and kept off Korean air waves. In every way possible, through television, the USIA and other cultural outlets, a more accurate and positive view of American life should be conveyed.

And, finally, America should not be penny-wise and pound-foolish in its trade relations with Korea. The actual benefit of increased access to the Korean market is small; why not wait another year or two until Koreans feel more stable, more well-off and more equal to demand reductions in trade barriers?

In my opinion, America should be more wise than efficient in dealing with my native land. Korea is rapidly becoming independent psychologically and emotionally as well as economically. But it is still in the adolescent phase of its maturation — a period in which, as any parent well knows, an especially thoughtful and caring approach is called for.

To many young Koreans, the United States, far from being the strong, moral and generous friend it once was, has now become impotent, immoral and stingy.

The writer, who was born and raised in South Korea, is a partner in the Washington law firm of Reid & Priest and has several Korean firms among his clients. He contributed this comment to The Washington Post.

It's in PLO Interests to Hold Elections

By Anthony Lewis

LOS ANGELES — Memo to the PLO. You have reacted with intense skepticism to Prime Minister Yitzhak Shamir's proposal for elections in the West Bank and Gaza. So have Palestinian residents of the occupied territories.

But you should not reject the proposal. You should explore it. For with all its defects, the idea gives you in the Palestinian leadership an opportunity to do what you must: persuade Israelis that you are genuine in turning from violence to politics as the way of achieving Palestinian national rights.

You have reasons for skepticism about Mr. Shamir's idea. You see it as a way of stalling on the real issue, negotiations about the future of the West Bank and Gaza — and a way of relieving American pressure.

Would an election choose municipal officials who would carry out their petty functions while Israel still made the rules of life? That would only ratify an endless occupation. And it would divide the Palestinians in the territories from the leadership outside.

Finally, you question the idea of elections under the arbitrary conditions of a military occupation. Political activities have long been banned *in the* West Bank and Gaza. Israel conducted municipal elections there in 1976 — then removed the major elected mayors by military order.

Yes, there are grounds for skepticism. But the U.S. government understands them.

President George Bush, reacting to the Shamir idea last week, said the United States believed that "elections can be designed to contribute to a political process of dialogue and negotiation." In other words, they would be a step on the road, not an end in themselves. And Mr. Bush could not have chosen the word "dialogue" accidentally. That is what the United States is carrying out with you — over Mr. Shamir's objections.

Note that he did not voice those objections publicly on his visit to Washington, so unconvincing has that position become.

Before meeting with Mr. Shamir, Mr. Bush called for "the end of the occupation and achievement of Palestinian political rights." He said the United States opposed both permanent occupation and Israeli sovereignty over the territories. Those were bold words. Certainly they chilled Mr. Shamir.

In Washington, Mr. Shamir reiterated his total opposition to the principle of UN Resolution 242. "The slogan 'territories for peace' is a deception," he said. Mr. Bush effectively replied when he told the press that the United States wants the occupation ended because it is committed to 242.

Mr. Bush's careful words should encourage Palestinians to react to the election idea in terms of its possibilities. They could respond, that is, by suggesting ways to assure a genuine election looking toward negotiation.

Palestinians could argue, for example, that political restrictions must be ended in the West Bank and Gaza to permit democratic elections. Residents should be able to campaign freely and communicate with Palestinians abroad. Detainees should be released.

Such arguments probably would win a sympathetic hearing in the United States. So would proposals for monitoring of an election by an international observer team of some kind.

So also, I believe, would the idea that the election should choose not only local officials but Palestinians to carry on political negotiations.

There is little political risk for the PLO in such an approach. In a democratic election, just about everyone on the ground thinks pro-PLO candidates would win. And it would not be easy for Israel to dismiss the winners again. Indeed, with the world watching, I think it would be impossible.

But Mr. Shamir, you will say, would resist terms for a meaningful election. But even if he does, the PLO will have made a vital point by talking to the United States and others about possible terms.

You in the Palestinian leadership are trying to convince the world now that you are committed to peace and negotiation. Part of that commitment must be a willingness to test proposals when you doubt them — a willingness to endure the slow, gradual processes of diplomacy.

Some in the PLO seem to believe that the United States will force a solution on Israel. That is a fundamental misconception. America can be helpful, but it will not be separated from Israel. It will not force Israel.

In the end it is Israelis who must be convinced that they can live in peace with you. That is a hard task, but not impossible.

Israel's military command and intelligence services have already concluded that continued occupation endangers the country's security.

But the people must be persuaded that the status quo is riskier than negotiating with the Palestinian national movement. That is your challenge.

The New York Times.

100, 75 AND 50 YEARS AGO

1889: Wild West in Paris

PARIS — Buffalo Bill's Wild West Company has at length fixed upon its sojourn in Paris during the Exhibition. The number of Indians will be very great. Amongst them will be "Red Shirt," chief of the Sioux.

1914: Saloons to Close

NEW YORK — An analysis of the polls of the Illinois townships where women voted for the first time on Tuesday [April 7] shows that 73 percent of the total number of women on the register went to the polls, with the result that more than 1,000 public houses outside Chicago will be closed without compensation. Detailed figures in fifty-seven townships placed the womens's vote at 40,681 "dry" and 18,181 "wet," showing in those townships that approximately 70 percent of the women voters favored the anti-publican ticket. Women reformers here say that they will have all America "dry" before ten years have elapsed.

1939: Italian Albania

ROME — With the occupation of Albania today [April 9] virtually complete, the reorganization of the country "within the solemn framework of Fascist liberties," to use the words of the Albanian Provisional Administrative Committee, proceeded apace. Count Galeazzo Ciano has returned from Tirana, where he supervised the initial work and distributed largesses in Signor Mussolini's name among the deserving poor. The sum of 190,000 gold francs was assigned to the eight principal towns, and a steamer loaded with food and clothing for the civilian population has reached Durazzo. Officials of the Ministry of Popular Culture have arrived to organize the press, radio and cinema along approved Fascist lines, and Albanian notables are making their position clear in flowery addresses to the paramount power. The temporary government of the country has been formed under Italian supervision.

A Monthly Report for the International Investor

FUNDS 1989

Herald INTERNATIONAL Tribune

Monday, April 10, 1989

PERSONAL INVESTING

FOCUS

Funds Are Irked By EC Tax Plan

A PROPOSAL that would require financial institutions in the European Community to withhold a minimum 15 percent tax on the interest paid to investors from other member states is getting a thumbs down from the fund industry.

The aim of the proposal is to create a "level playing field" in anticipation of changes that will allow financial institutions to market their products throughout the EC. Instead, the withholding plan, fund industry executives say, would drive the business to non-EC havens and boost administrative costs for the funds that remained. Those costs, they say, would ultimately be passed on to investors.

Introduced in February as a way to prevent tax evasion when the EC removes the barriers on capital flows in mid-1990, the proposed directive calls for financial institutions to withhold tax on interest payments on domestic bonds and savings accounts.

The tax plan would extend to funds that invest in domestic bonds. The EC Commission, fearful that its proposal would scare away the huge market for Eurobonds, debt issued through offshore financing subsidiaries in the Cayman Islands and elsewhere, exempted these securities from the rules.

The matter is expected to be high on the agenda at the June meeting of EC prime ministers, and discord is already in the air. France and Belgium, the measure's main proponents, are strongly opposed by Luxembourg, Britain and the Netherlands. Other countries, if supportive, are hardly enthusiastic.

"I'm not at all optimistic that a solution will be found in June," says an EC spokesman. He is only a bit less pessimistic that a compromise might be worked out when the French assume leadership of the EC, in the second half of 1989.

LUXEMBOURG has been the most outspoken in its opposition to the measure, as well as to a sister proposal that would require tax authorities of member states to cooperate with each other when evasion is suspected. At a meeting of finance ministers a week after the proposal was published, Luxembourg's finance minister, Jacques Poos, declared: "My country is not ready to play policeman and tax collector for its partners."

Luxembourg appears to have the most to lose from a withholding tax requirement. To a large degree, it has been able to build up a thriving mutual fund industry over the past five years precisely because it is the only EC member that does not have a withholding tax on interest income. Other member countries impose withholding rates ranging from 10 percent in Portugal to 35 percent in Ireland.

"A withholding tax would be very hard for our fund business, very damaging," says Michel Maquil, general secretary of the Luxembourg Stock Exchange.

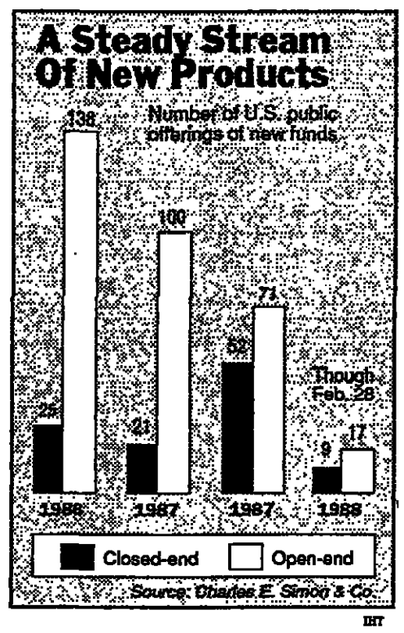
As of last Nov. 30, more than 800 funds, offered by 416 different sponsors, were domiciled in Luxembourg. The total net asset value of these funds topped 2.01 trillion Luxembourg francs ($51.6 billion). A majority of these funds are invested in interest-bearing securities.

Tony Doggart, finance director for the Save & Prosper fund group in London, says Luxembourg's advantage has helped the Grand Duchy draw a significant amount of business from the United Kingdom. U.K. funds are currently required to withhold 35 percent corporate tax on interest paid to fund shareholders, though that rate is to be reduced to 25 percent in 1990.

"Foreign investors can go down the road to Luxembourg and get their income gross," Mr. Doggart notes. In doing so, they "avoid the hassle" of having to apply to British authorities for any refunds due under bilateral tax treaties. That process can take a year or longer.

Mr. Maquil warns, however, that Luxembourg would not be the only loser if the withholding plan were made into law. "This is of the utmost importance for Luxembourg, but also for the Community," he says. Upper-income private investors, Luxem-

Continued On Page 11



A customer stops off at the Dreyfus walk-in sales office in Manhattan. The offices are used by major U.S. groups to market their products.

AP Wideworld

Pitfalls of Fashionable Funds

Fads play a big role in decisions to start funds

By David C. Lanchner

New York

WHEN Robert Farrell, Merrill Lynch's chief market strategist, is evaluating the future prospects of the U.S. stock and bond markets, he pays close attention to the listings of new funds and what they plan to do with their portfolios. Then *quite often he takes an opposite tack.*

New funds are good contrarian indicators because they capitalize on investment strategies that are already performing well, not on those that are about to do well, explains Mr. Farrell. Of course, fund management companies hope that their new offerings will compile impressive performance records. But opportunity and expertise frequently take a back seat to marketing decisions.

The reason, to paraphrase an old Wall Street observation, is that fund shares are sold, not bought. Like any business selling a product, fund companies must pique investor interest with catchy slogans and ideas that trade on today's headlines. Investors who understand why and how fund companies come up with their new products will be in a better position to avoid those that have more glitz than substance.

Lacy Shockley, an analyst who follows investment companies for Mabon Nugent, likens the fund industry to the cereal industry: "If oats are the hot thing these days, it's not enough to simply have an oat cereal. You've got to liven it up and call it something like crackling oats. It's the same with mutual funds. Excitement is generated by new twists that appeal to current fads."

THE pitfall is that not every fund that sells well performs well. A classic example is the closed-end Duff-Phelps Utility Fund. When the fund was first offered in January 1987, it quickly raised over a billion dollars from investors eager to get in on the yearlong boom in the utility sector. Because closed-end shares cannot be redeemed, Duff-Phelps locked in good-sized management fees. Unfortunately for their investors, utility stocks hit a record high within a week of the offering and then steadily declined.

The emphasis on what will sell easily can also lead to absurdly overspecialized funds. For example, one fund company, hoping to take advantage of a local economic boom, is currently gearing up to sell a Hawaii fund. The portfolio will invest over half its assets in companies doing business in Hawaii.

Overseas markets are another area suffering from fund glut. More than a dozen international and single country, stock, bond and even money market funds have been sold or filed for sale within the past year, even though most economists are now predicting a stable or rising dollar that could dent the returns on these issues.

"The sensible way to invest is not too buy the Finland or Spain Fund but to purchase a general European equity fund," says Kurt Brouwer, a San Francisco financial adviser who specializes in mutual funds. "Most single country funds unnecessarily strait-jacket portfolio managers."

The marketing hype that goes into new funds can also create confusion over what a portfolio's goals are. A good example is an asset allocation fund that Fidelity introduced in January.

"The fund is actually a traditional, balanced portfolio, not a true asset allocator that jumps in and out of markets depending upon economic prospects," argues Eric Kobrin, editor of Fidelity Insight, a newsletter that tracks Fidelity funds. Asset allocation is a trendy buzzword that Fidelity hopes will help sell the portfolio, according to Mr. Kobrin.

Some of the funds' concepts seem to go against common sense. One recently offered closed-end fund, Dreyfus Growth and Income Fund, promises both aggressive capital appreciation and steady income. The fund has locked 35 percent of its assets into 10-year Treasury bonds and is devoting

Continued On Page 10

Asian Funds Setting A Torrid Pace in The First Quarter

By William G. McBride

PORTFOLIOS specializing in Asia's fast-growing stock markets and in racy financial instruments scored the biggest gains in the first quarter, according to Lipper Analytical Service's survey of offshore funds.

Three out of 10 of the top-performing funds focused on Taiwan, whose stock exchange has bounded back from a sharp sell-off last September. Two funds specialize in warrants, leveraged securities that give the holder the right to buy a company's shares at a set price in the future. Also making the top 10 were funds targeting South Korean and Brazilian investments, and a commodities fund run by a U.S. trading whiz, Paul Tudor Jones.

While these specialized funds turned in gains ranging from 26 percent to 56 percent in the quarter, the average returns on portfolios targeting major markets were lackluster. The 58 portfolios of Japanese equities tracked by Lipper Analytical ended the quarter with a slim 1.3 percent average advance, while 97 funds focused on U.S. stocks managed a 4.8 percent rise. The 48 U.K. funds returned 9 percent on average, while 57 European *funds gained 2.4 percent.*

Beyond South Korea and Taiwan, both of which limit investment by foreigners, other Asian markets turning a strong showing were Singapore-Malaysia and Hong Kong. Seven funds that target the Singapore and Malaysian markets were up an average 19.2 percent, while the 16 Hong Kong funds rose an average 13 percent.

CEF Hong Kong Warrant Trust, the top performer, is a $3 million portfolio guided by Hong Kong-based CEF Investment Management Ltd., a joint venture established last year by Cheung Kong Group and Canadian Imperial Bank of Commerce. Because warrants move faster and further than the underlying stocks, the fund was able to cash in on Hong Kong's strong showing in the quarter. The fund is not authorized for sale in Hong Kong.

CEF's Pacific Ventures Trust, a $4 million portfolio, came in ninth in the rankings. Duncan Mount, CEF's managing director, said the fund tends to make substantial bets on situations where it perceives unusual opportunity. Its holdings have tended to focus on Hong Kong, though it can invest in all of the Asian markets.

"Last quarter, it was holding quite a few blue chips," said Mr. Mount. "Now, it's moved into second-line shares." Among the fund's largest holdings is Kesang, a Malaysian construction-equipment and property-development group that has a gold-mining venture in the Philippines.

Claiming the No. 2 position on the best-performing list was Baring Korea, which was established last October as a way of benefiting from opportunities likely to arise from the Seoul market's gradual opening to foreign investors. The fund is currently limited to the types of Korean investment vehicles available to foreigners.

These include two closed-end funds traded on the London and New York exchanges, seven unit trusts managed by Korean investment firms and convertible bonds offered by five Korean companies. Because of the demand for these Korean investments, all the instruments trade at stiff premiums. The funds and unit trusts had recently sold at premiums of 60 percent to 90 percent above their

Continued On Page 10

Offshore Funds: The Top Ten in First Quarter

Total return in dollars

CEF Hong Kong Warrant Trust	56.00%
Baring Korea Fund	40.07%
Brazilian Investment Co.	38.14%
Taipei Fund	37.26%
Taiwan (R.O.C.) Fund	36.97%
Tudor B.V.I. Futures	34.75%
Gartmore Japan Warrant Fund	33.36%
Providence Special Market	29.17%
First Securites Inv't Trust	26.88%
CEF Pacific Ventures Trust	24.67%

Source: Lipper Analytical Services

IHT

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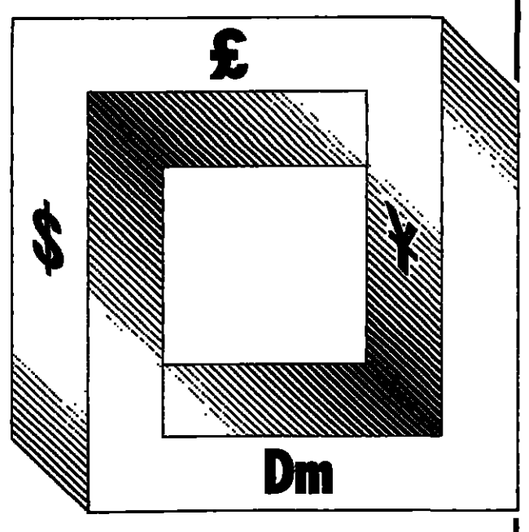

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BOURSES

U.K. Fund Groups Battle a Profit Squeeze

The problem: Fewer assets, higher costs.

By Nigel Adam

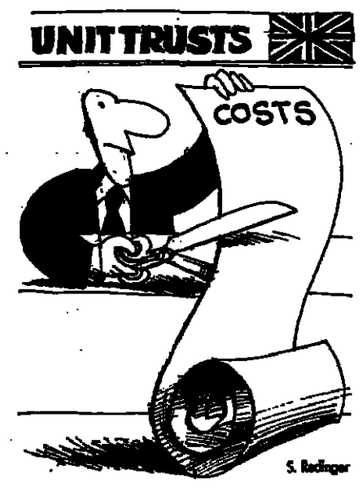
London

A FLURRY of takeover activity in an industry usually ignites investor interest. But the series of acquisitions among British fund management groups in recent months seem only to have underscored the depressed state of the business and the likely need for further consolidation.

One by one, some of the best-known names in the business have been bought up at prices that seem like bargains when compared with pre-crash levels. Last year saw Thornton Management pass into the hands of West Germany's Dresdner Bank. In February, Bank in Lichtenstein launched a friendly bid for GT Management, and last week France's Société Générale agreed to purchase Touche Remnant.

Despite the takeover activity, analysts preach caution when discussing the shares of publicly traded fund groups. Fund managers have raised fees and cut costs to deal with their shrinking pile of money under management. But industry followers say the groups could face further cutbacks, and that a number of factories could limit takeovers among publicly traded companies. A strong advance in the stock market will likely be needed to revive their fortunes.

In the short run, the fund groups can take some modest comfort from recent sales figures. Net unit trust sales reached £820 million in the first two months of 1989, nearly half of the £1.8 billion sold during the whole of 1988. Total value of unit trust funds at the end of Febraury had climbed to £47 billion from £41.6 billion two months earlier.



"These figures are encouraging but we need a sustained upward movement in the market," acknowledges Julian Shersby of the Unit Trust Association. "The more substantial private clients are buying again but not the average retail investor."

Indeed, net unit trust sales in 1987 hit £6.3 billion, three and a half times the 1988 level, and total funds under management peaked at £50.3 billion.

The major companies succeeded in restoring some of the loss of revenue by raising sales charges and management fees last year.

"It's encouraging that the industry could increase its charges without too much resistance," says Philip Gibbs, an analyst at Alexanders Laing and Cruickshank.

But higher costs still pose problems. The new Financial Services Act not only imposed expensive new accounting and administrative requirement, but eliminated "box profits," the profits managers made in dealing in the fund's own shares. In effect, this allowed fund management concerns to profit from the spread between bid and asked prices.

As for takeovers, there have been disappointments as well as deals. The widely rumored bid by Australian entrepreneur Alan Bond for M&G Group, the doyen of the unit trust business, never materialized, and the £92 million GT bid did little to excite investors.

"The market was discouraged," says John Chester, an analyst at Warburg securities, of the price paid for GT. "It would have liked a price 15 percent to 20 percent higher."

Another factor is the strong defenses of some fund groups that, unlike GT, have little desire to be acquired. Henderson, having suffered a substantial fall in profits, has been subject to takeover speculation. However, the company's management, which together with *friendly investors holds around 50 percent of* the stock, is set on remaining independent.

Britannia Arrow, another listed company, also has large individual stockholders to act in its defense. Mercury Asset Management, whose price earnings multiple is less than half of Henderson's at around 12, is 75 percent owned by its parent, Warburg.

Warburg's Mr. Chester feels that predators would fare better in the unquoted sector of the fund management industry where smaller companies offer better value. "Furthermore," he adds, "there is a huge list of targets from which to choose."

Potential buyers, expecting a string of poor profit reports, may also be tempted to hold off in the hope of seeing lower prices for the publicly traded firms in the future. A setback in the market would only strengthen that resolve.

Henderson is expected to report pretax profit of about £11 million in the year ended March 1989, only about half the year-earlier level. Britannia Arrow already reported a drop in pretax profit for the year ended December 1988 to £27.1 million from 1987's £41.8 million. Mr. Gibbs expects Britannia's profit to hit £35 million in the current year,

Continued On Page 12

PROFILE

Peter Lynch: The Burdens Of Success

By Cynthia Catterson

Boston

OVER THE last decade, Peter Lynch has earned the reputation as one of the nation's top stock pickers. But these days the 45-year-old manager of the $9.5 billion Fidelity Magellan Fund is finding irony in success.

With a portfolio of some 1,400 stocks, Magellan is the largest and one of the best-performing equity funds in the mutual fund industry. Lipper Analytical Services has ranked Magellan among the top 10 growth funds each year for the last decade. In that time, Fidelity Magellan has gained an impressive 1279.62 percent, compared to the Standard & Poor's 500 index, which gained 354.17

However, many of the strategies that enabled Mr. Lynch to achieve stellar results in the late 1970s and early 1980s when the portfolio averaged under $350 million in size are, by comparison, only mildly successful in moving the modern Magellan Fund, which is some 30 times larger. By some estimates, the fund outperformed the S&P by 26 percent in its first seven years, compared to a fine but modest 2.9 percent for the last five years.

Although such off-beat, obscure stocks as La Quinta Motor Inns, a ground floor investment that went up 25-fold between 1977 and 1982 have become Mr. Lynch's investing trademark, these days he must score big with larger companies to realize any truly dramatic gains. Indeed, it is large capitalization companies that make up the list of top holdings in the Magellan portfolio.

For one thing, laws prohibiting mutual funds from owning more than 10 percent of a company prevent Mr. Lynch from taking a large enough position in a small promising company to have an impact on the overall performance of the vast Magellan fund.

"Ten percent of a small company may only be one tenth of 1 percent of my fund. So if it triples, it only adds three tenths of 1 percent," Mr. Lynch laments. "If I could make that same stock 3 percent of my fund, it would mean much more when it tripled."

Moreover, in a portfolio that holds roughly three times as many issues as those compiled in the S&P index, finding new growth opportunities can be difficult. "I'd love to own many more smaller stocks, but I just can't find them. And I won't buy just any small company just because some people call it a growth company," he says.

Indeed, these are some of the reasons why he argues in his recently published book, "One Up On Wall Street," that large institutional investors are at a distinct disadvantage to individual investors in the market.

Peter Lynch: 'I try to act like an amateur.'

IHT

The Magellan Fund

Top 10 Holdings

Fannie Mae	General Motors
Ford	Digital Equipment
General Electric	BOK
American Express	Aetna
EMC	Chase Manhat.

Industry Weightings

Finance	8.0%
Banks	7.8%
Energy	8.3%
Chemicals and Plastics	5.1%
Metals and Mining	4.7%

In addition to the laws regulating how much stock they can buy, he says, professionals cannot easily move in and out of a stock without affecting its price. In addition, institutions are often among the last to find out about a promising company. "The public can see businesses turn for the better or worse long before Wall Street and the institutions take notice," he says.

Despite the battle of the portfolio bulge, Mr. Lynch's fundamental strategy for picking stocks continues to rely heavily on common sense and the power of observation. "I try to act like an amateur whenever I can. I look at a bunch of companies and if I find one where I know more than other people, I take advantage of it," he says.

While admittedly fewer and farther between, Mr. Lynch's favorite finds are companies that are not widely followed by Wall Street analysts and those that have a low level of institutional investment. Other factors he considers a plus include insider buying and a protected market niche. Moreover, he prefers companies which are in businesses that, for one reason or another, are boring or distasteful to most investors.

This method enabled Mr. Lynch to unearth such overlooked companies as Crown, Cork, and Seal, a maker of can and bottle tops; Service Corp. International, a funerary concern, and Waste Management, a toxic waste company. All were big gainers for the fund

Equally as important, Mr. Lynch avoids any industry involved in a business he does not understand. "I understand the business that Boeing is in. But don't talk to me about software. I don't know what those companies do. I won't buy them."

Big company or small, once Mr. Lynch identifies a prospective buy, he puts the company through a quantitative screen, looking for such evidence of financial promise as steadily improving earnings growth, low debt, low historic price-to-earnings multiples, reliable dividend payments and proven share buyback policies.

Magellan's stocks are grouped into one or more of six categories. Historically, 30 percent of the Magellan fund have been invested in small company growth stocks. Ten to 20 percent of the assets have been distributed between larger companies he categorizes as stalwarts, cyclicals and companies with hidden assets. The rest of the portfolio has typically been invested in companies which Mr. Lynch expects to turn around. However, Mr. Lynch adds, these proportions fluctuate according to which category he finds the most values at any given time.

Mr. Lynch says profits are made by not flinching during periods of market declines. Although the Magellan fund declined between 10 percent and 30 percent during the last eight major market drops, he says that a combination of a strong stomach and educated bargain-hunting allowed him to revive the fund each time. □

OFFSHORE FUNDS

Asian Funds Are Setting Fast Pace in First Quarter

Continued From Page 9

net asset value. The holdings in Baring fund are carried at market values rather than net asset value.

By 1991, noted Bill Ramsay, the manager of the Baring fund, the Seoul market could prove more accessible to foreigners. The government has proposed to allow foreign holders of the bonds to trade the shares they would receive when the securities are converted. Followers of the Korean market expect at least three more convertible bonds to be issued this year.

The number of avenues into the Korean market has multiplied to the point that Baring believes a professionally managed portfolio of these investments makes sense, said Mr. Ramsay. He noted the market value of the investment vehicles available to foreigners now totals $2.5 billion, and the unit trusts and other funds often have substantially different holdings making them harder to assess.

Though the bulk of the $5 million fund is held by institutions, it also appeals to individuals investors, Mr. Ramsay said. The fund gives retail investors a way to profit from the performance of the Korean-managed unit trusts and the convertible bonds, both of which are traded in such large blocks as to prohibit purchases by individuals.

GIVEN Baring's long presence in the Korean market, "we felt we could share our expertise for a retail audience," Mr. Ramsay said. Among the fund's biggest holdings are the convertible bonds of Daewoo Heavy Industries and Samsung Electronics, and Korea International unit trust, which is managed by Korean Investment Trust.

Minimum investment is a 1,000 units, which were recently priced at $17.42 each.

The Taiwan ROC Fund, the Taipei Fund and First Securities Investment Trust all profited from that market's return of confidence. The Taiwan market went into a tailspin in September after imposition of new taxes on share dealings, but it staged a strong rebound in January and February. Higher interest rates and concerns about the effects of the government's decision to ease controls on currency have slowed the advance. Dickson Ho of the Taipei office of brokerage W.I. Carr said the market could move in a narrow range in the coming weeks.

All but one of the Taiwan funds available to foreigners are traded over the counter almost exclusively by institutions. The minimum trading size is so large that most individuals would not consider purchasing the units, which are currently trading at about an 8 percent premium to their net asset value. The exception is the New York Stock Exchange-listed Taiwan Fund, which is quoted at about a 30 percent premium to its net asset value. □

Overall Leaders

Total return in dollars, periods ending March 31.

Taipei Fund	98.58%
Taiwan (R.O.C.) Fund	94.45%
First Securites Inv't Trust	68.90%
Korea Trust	64.65%
Korea International Trust	63.85%
Skandinavien Invest	58.61%
Brazilian Investment Co.	57.75%
Wardley South East Asia	57.55%
Seoul Trust	57.33%
Connaught Pacific Enterprise Fund	57.01%

Taiwan (R.O.C.) Fund	694.02%
Korea International Trust	582.57%
ESPAC	445.81%
Korea Trust	445.71%
JF Phillipine Trust	422.90%
JF Japan Trust	417.30%
JF Pacific Income Trust	415.75%
Lazard Japan International	407.30%
Samurai Portfolio	387.30%
Lazard Far East Fund	346.35%

Source: Lipper Analytical Services

Top 5 Currency Funds In First Quarter

Total Return in Dollars

ForexFund	5.69%
Citifunds, U.S. Dollar	5.28%
Allied International, Managed Currency Fund	4.75%
N.M. Shroder, Portfolio Selection, Dollar Fund	3.35%
Chase Multicurrency Fund	2.51%

Source: Lipper Analytical Services

International Herald Tribune

MUTUAL FUNDS

Pitfalls of Fashionable Funds

Continued From Page 9

the rest to risky but potentially lucrative small stocks.

Investors who are looking for both income and growth would probably be better off buying one of Dreyfus' many open-end growth funds and supplementing that with a bond fund. That way the individual has some control over the division of assets and avoids the problem of trying to achieve two contradictory goals in one fund.

The vogue in closed-end funds is reason in itself to be wary of fads. The fund companies like closed-end products because they trade like stocks. Unlike open-end products like mutual funds, investors cannot redeem their shares for their net asset value. Fund managers adopt the closed-end approach because they do not have to worry about coping with sudden inflows and outflows of money. The argument is that managers can guide their portfolios more effectively if they do not have to worry about selling off assets to pay for a wave of redemptions.

A popular closed-end fund sometimes sees its share price exceed its underlying net asset value. But more often prices of new closed-end funds have instead shown a dismaying tendency to go the other away, leaving the investor with shares trading at less than their net asset value.

Coming up with a new fund and marketing it involves many questions other than simply what is likely to be a good long-term investment. A key consideration, for example, is the expected volume of sales in a fund's first couple of years.

"One thing we pay close attention to is customer comments," says James Riepe, head of the New Products Division at T. Rowe Price. The company handles about 10,000 telephone customer calls a day, according to Mr. Riepe.

Mr. Riepe and his counterparts at other investment companies also study each other's sales patterns to see if a new fund idea appeals to investors. And sales pitches are sometimes tested on sample groups of customers and then refined.

SOMETIMES the likelihood of poor performance is not even a hindrance when investment companies consider new funds. Asset allocation funds have been dismal performers, but investment companies keep coming out with them. They remain an easy sell largely because they have received a lot of media attention, albeit negative.

"The press may have beaten up on them but any press is good press," says Mr. Kobrin, who used to be in public relations at Fidelity. He explains that the goal of asset allocation funds — getting the portfolios assets out of a particular market before it drops — was well publicized. That had more impact on sales than any unflattering critiques.

At "load" companies, which market to the public through intermediaries, appealing to the brokers who sell funds is often a more important consideration than what appeals to the people buying them. "We have ongoing relationships with all the Wall Street firms, and we tailor our strategy to suit their needs sometimes," says Charles O'Neil, a marketing executive at the Putnam mutual fund company.

Tom Sheehan, a broker at Thomson McKinnon in Atlanta, explains that mutual fund companies will often design products to round out in-house fund offerings at brokerage firms. When funds complement rather than compete with the brokerages' proprietary brands, they are sold more aggressively, primarily because the brokerage houses allow the fund companies to pass through higher commissions to the brokers.

"For some brokers the increased payout is a big thing," says Mr. Sheehan, "especially since all the brokerage firms have cut back on commissions since the crash." While the higher fee is sometimes tacked on to sales of existing funds, he says, it is a uniform policy on new portfolios. During a load fund's first month in existence, 100 percent of the sales commission is routinely passed back to the brokerage houses, according to Mr. Sheehan. The normal "pass back" for load funds is about 85 percent.

One abuse associated with new funds that riled investors in the past were sales contests. According to Mary Calhoun, a former broker with Merrill Lynch, before bad press scotched the practice two years ago, "trips to Hawaii, cars, furs and Rolexs where given out with abandon if you sold a certain amount of a fund's shares." The fancy freebies have largely disappeared, but they have been replaced by a constant barrage of minor ones. □

Future Fund Offerings: A Sampler

- **Arbitrage Partners Special Fund:** Will invest in takeover situations and reorganizations.
- **Dreyfus New York Municipal Income:** Will purchase bonds exempt from federal, state and New York City income taxes.
- **Fidelity Yen Fund:** Will take advantage of potential foreign currency returns by investing in Japanese money market instruments.
- **Finland Fund:** Will invest at least 65 percent of the fund's assets in Finnish stocks. Thirty-five percent may be invested in international debt rated AA or better.
- **Gabelli Convertible Securities Fund:** Will invest in bonds, debentures, corporate notes and preferred stock that are convertible into common stock.
- **Hawaii Mutual Fund:** At least 65 percent of the portfolio's money will be invested in domestic or foreign companies having at least $50 million in assets in the state of Hawaii.
- **Strategic Silver Fund:** Will invest at least 80 percent of assets in companies engaged in the exploration, mining, processing, fabrication or distribution of silver.
- **The Asset Opportunity Fund:** Will allocate money between stocks, bonds and money market instruments.
- **Weiss, Peck and Greer International Fund:** Will purchase securities in at least five foreign countries, primarily in Europe or the Pacific Bassin.

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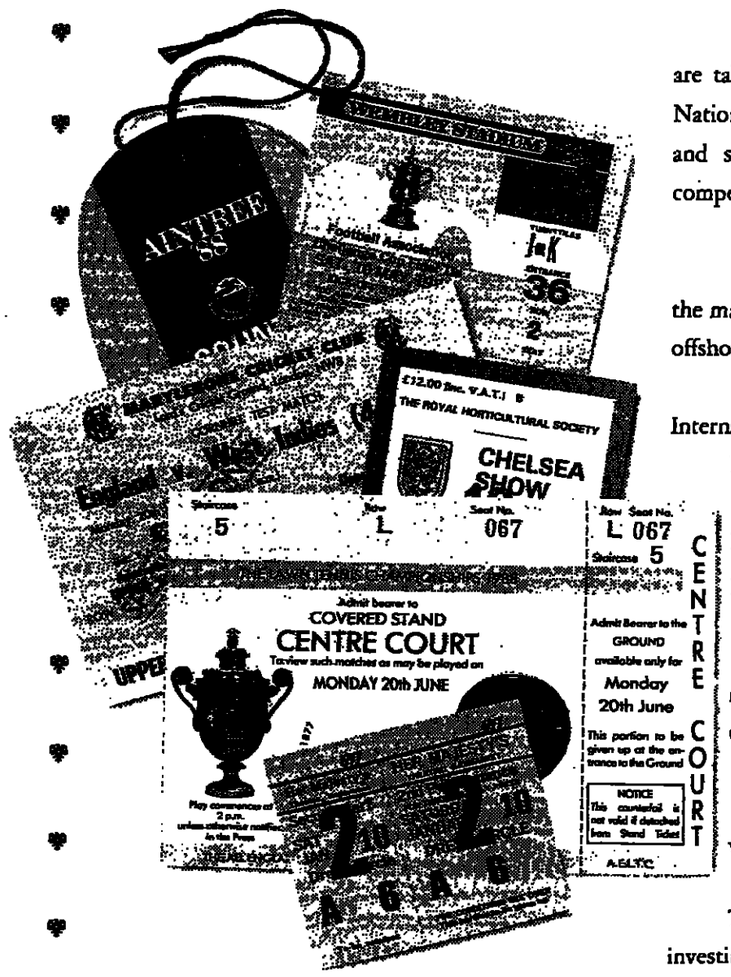

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Investing $50,000 In Funds

By Nigel Adam

London

STOCKS have gained favor over international bonds over the last few months, according to the views offered by three investment advisers who were asked to create a portfolio of funds for an investor with $50,000.

The model portfolios were designed for a hypothetical dollar-based investor who is interested in growth rather than income and who tolerates only a moderate amount of risk.

The Pacific region and Europe are the main beneficiaries of expanded exposure to equities. The fund advisers remain wary of U.S. stocks.

Hill Samuel expanded the equity portion of its portfolio to 80 percent from last October's 75 percent by cutting its dollar-denominated International Bond Fund to $7,500 from $10,000. The subsequent beneficiary was Hill Samuel's Crossbow Fund, invested in Japan and the Far East, which accounted for 32 percent of the $50,000, up from 27 percent six months ago.

Elsewhere, the weightings are unchanged from six months ago. The United States and Canada rank second by region, accounting for 23 percent of the portfolio. Shares in British companies and those in continental Europe represent 14 percent and 11 percent, respectively. Five percent of the portfolio remains in a currency fund.

Kleinwort Benson also trimmed its fixed-income holdings and cut its cash position to $5,000 from $7,500. "We're enthusiastic about Europe and the Far East and the higher equity content reflects that," says Ken Biswell, portfolio manager at Kleinwort Benson Investment Management.

The Kleinwort Barrington European Special Trust now accounts for $10,000 of the model portfolio, up from $7,500. "It focuses on particular companies rather than geographical areas," explains Mr. Biswell. "Overall, we believe the opening up of a single [European Community] market will mean a continuing good run for investors."

Meanwhile, the Kleinwort Barrington Pacific Trust was abandoned in favor of two more specialized funds: Kleinwort Benson (C.I.) Japan and Kleinwort Benson (C.I.) Far East, which invests outside Japan in other Pacific markets. In total, the Pacific region accounts for 30 percent of the portfolio, up from 20 percent last October.

U.S. exposure is unchanged at 15 percent in the form of Kleinwort's Pinechurch Fund. "This is not a mainstream fund but concentrates on smaller recovery situations," says Mr. Biswell.

Hoare Govett continues to maintain the highest exposure of the three to the Far East with 65 percent of its portfolio invested there. "You must have faith that the Japanese equity market will continue rising," acknowledges Andrew Christensen, assistant director of Hoare Govett (Channel Islands).

Mr. Christensen points to Japan's above-average economic growth rate, its high level of personal savings and big cash reserves held by companies, as well as its low inflation rate. "The only factor which could stop Japan's momentum is a steep rise in the oil price and that's unlikely," he says.

Hoare Govett recently added a Japanese warrant fund to its portfolio, complementing existing Japanese holdings of $15,000. It dropped the Jardine Fleming Asean Trust in favor of Jardine's Eastern Trust, while raising the total investment to $7,500 from $5,000. Eastern is weighted in favor of Hong Kong stocks, which account for 35 percent of its assets.

"We try to be nimble-footed," says Mr. Christensen, who maintains $5,000 in a commodity fund and continues to shun U.S. equities. "We are reluctant to commit funds until there are definitive signs from the U.S. authorities that the twin deficit problems will be resolved," he says. □

PORTFOLIO 1
Hill Samuel (Channel Islands) Trust Co. Ltd.

Hill Samuel Overseas Fund	$11,500
Hill Samuel Int'l. Bond Fund, Dollar Class	$7,500
Hill Samuel European Equity Fund	$5,500
Hill Samuel Crossbow Fund	$16,000
Hill Samuel U.K. Growth Fund	$7,000
Hill Samuel Int'l. Currency Fund, Dollar Class	$2,500

PORTFOLIO 2
Hoare Govett (Channel Islands) Ltd.

Fidelity PP UK Fund	$7,500
Hambro Pacific Japan Fund	$7,500
Jardine Fleming Japan Trust	$7,500
MIM Britannia Nippon Warrant Fund	$2,500
Jardine Fleming Pacific Income Trust	$7,500
Jardine Fleming Eastern Trust	$5,000
Fidelity Performance Portfolios European Fund	$7,500
Man Mint Limited Fund	$5,000

PORTFOLIO 3
Kleinwort Benson Investment Mg't. Ltd.

Kleinwort Benson Int'l Accumulation Bond Fund	$5,000
Kleinwort Barrington Smaller Companies Trust	$7,500
Pinechurch U.S. Growth Fund	$7,500
Kleinwort Benson (C.I.) Japan Fund	$10,000
Kleinwort Barrington European Special Trust	$10,000
Kleinwort Benson (C.I.) Far East Fund	$5,000
U.S. $ Deposit (Cash)	$5,000

IHT

Why Index Funds Often Fail to Hit Targets

An alluring theory poses problems in practice.

By David C. Lanchner

New York

FRUSTRATED by the failure of most mutual funds to beat accepted indexes of stock or bond performance, many investors turned to so-called index funds. These funds' promise to at least closely match the performance of leading indexes and sometimes to add a little extra.

Unfortunately, the theory behind index funds has been turned out to have problems in practice. Inherent flaws and tinkering designed to marginally improve returns prevent so-called index funds from tracking accurately.

Of the roughly 13 such funds in existence last year, four deviated from their target index by three percentage points or more. Even general equity funds showed a closer correlation, under-performing the Standard and Poor's 500 stock index – a commonly used equity gauge – by only 2 percentage points, according to Lipper Analytical Services.

"With these portfolios you're off to the races," says Kurt Brouwer, a San Francisco financial adviser who specializes in mutual funds. According to Mr. Brouwer a good index fund should track within a percentage point of its target. The best funds also have extremely low expense ratios since holdings are fairly static. At actively managed funds expenses generally run higher because securities are constantly being evaluated and traded.

When investors are looking for a fund that will track well, everything should be considered, from how much cash the fund holds to how many securities it owns.

The Colonial International Index Trust, for example, does not have sufficient assets to cover the broad portfolio it tracks. The fund has only 350 stocks, yet aims to match the performance of the 1,020 equities in the Morgan Stanley Capital International Europe, Australia and Far East Index.

Last year the portfolio returned an impressive 21 percent but that was still more than 8 percentage points short of the index's return. And in 1987 the portfolio underperformed the index's 24 percent gain by an almost identical margin.

"As we grow, our tracking will be much better," predicts fund manager Ruben Trevino. But before he can buy enough securities to closely shadow the index, Mr. Trevino acknowledges that the $10 million fund will have to attract an additional $20 million.

Even then, he expects the Colonial fund to lag its model by at least 2.5 points a year. High international commissions, the spread between bid and asked prices, and the expense of currency exchanges detract from the fund's return. Moreover, the opportunity cost of carrying uninvested assets to cover redemptions make closer correlation almost impossible.

Even funds which closely emulate index performance can encounter problems. Vanguard Quantitative Portfolios, which last year virtually matched its paradigm, the S&P 500, was underweight in takeover stocks like RJR Nabisco. RJR accounted for only 0.08 percent of the fund's portfolio, while it had an index weighting of more than half a percent. This caused the fund to lag during the takeover battle for the consumer-products manufacturer.

Indexed portfolios that seek to do better than their benchmark are also subject to disappointment. The Principal Preservation S&P 100 Plus Portfolio deviates from its mark not because it has chosen a tough index to follow but because it tries to improve on its model by selling call options.

Portfolio manager Jack Hansen sells call options on stocks that he believes have limited upside potential. In effect, he sells other investors the right to buy shares in his portfolio at prices generally higher than current market values.

IF HE is right, the premiums he gets for the options will boost returns. But if he is wrong, investors will be locked out of any subsequent rise in the optioned stock's value.

The strategy works best in flat to slightly up markets where price increases do not exceed the premiums the fund receives on options. The fund's strategy failed in 1986 and 1987, years when the market saw dramatic price movements, but succeeded in 1988 when the market moved within a narrow range.

Mr. Hansen's bets are not small. Currently, 20 percent of his portfolio is optioned. And although he says "the fund's overriding objective is to obtain the index performance," he freely admits that investors will have to put up with unusually wide deviations from the S&P 100. Mr. Hansen is content with a 4 percentage point annual spread "so long as we wind up doing a little better than the index over time." In 1988 Mr. Hansen topped the 14.67 percent return of the Standard and Poor's 100 by 2.5 percentage points.

Unlike Mr. Hansen's fund, the Rushmore family of index funds aims for a very close annual correlation of one-half percentage point. Unfortunately, both the Stock Market Index Plus Portfolio and the Over-The-Counter Plus Portfolio under-performed their indexes by roughly 6 percentage points last year. The funds respectively follow the S&P 100 and the NASDAQ 100 stock indexes.

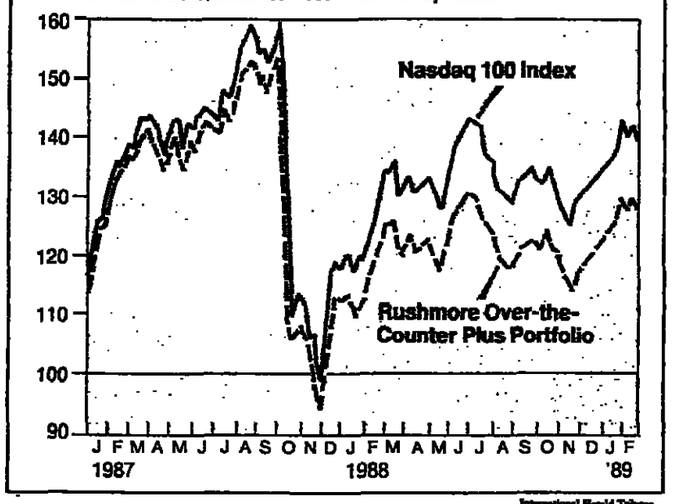
Both portfolios encourage market timers as customers and consequently deal on a regular basis with unusually high redemptions. This forces the funds to keep at least 10 percent of their assets in cash at all times.

Portfolio manager Dan Ryczek buys call options on stocks to make up for the lost potential of uninvested funds. The calls sell for 10 percent to 20 percent of a stock's value, allowing Mr. Ryczek to keep more of the fund's assets in cash. Still, if the value of the underlying stocks fail to increase, Mr. Ryczek loses money.

This was a principal reason for the poor performance of his funds last year. The high expense of constant buying and selling to accommodate market timers also contributes to swerves from index returns. □

Missing the Mark

Performance of Nasdaq 100 Index and Rushmore Over-the-Counter Plus Portfolio, December 1985 = 100. Weekly values.



International Herald Tribune

U.K. Funds Going in for Indexation

A LITTLE over a year ago there were no index funds in Britain. Today there are eight. British fund companies are betting that such easily understood investment trusts are just what is needed to nudge reluctant individuals back into stocks.

People are starting to realize that "only one trust in five beats the index it is aiming for," says Tony Fraher, a managing director at Morgan Grenfell which offered the first index funds last October. "Before the crash investors were offered all sorts of exotic trusts that ultimately fell hard. This has made the simplicity and relative predictability of index portfolios tremendously appealing."

Like their American counterparts, British index trusts are generally cheaper investments than actively managed funds. Sales fees on the trusts range from 3.75 percent to 5 percent, and annual management commissions are generally under 1 percent of the portfolio's value. The typical unit trust has an initial charge of about 5.5 percent and an annual management fee of roughly 1.5 percent.

Already, the British trusts are showing differing abilities to track their indexes. None of the funds uses options or other strategies designed to hedge or outperform the index, but many own less than half the stocks represented in their target index.

The worst-performing trust so far has been Robert Maxwell's closed-end New Tokyo portfolio which owns only 60 stocks. The fund is supposed to duplicate the performance of the 1,100 shares in the Japanese first section, but has been trailing index advances by about a percentage point per month, according to Hamish Buchan, a closed-end fund analyst at County NatWest in Edinburgh.

The most faithful tracker has been the open-end Royal Life Trust which owns all 710 stocks in the British Financial Times All-Share index. Royal Life recently boasted a 0.009 percent deviation from the index. Unfortunately, the trust also has a very steep minimum investment of a £250,000. □

David C. Lanchner

Fund Industry Resisting EC Tax Plan

Continued From Page 9

bourg's main customers, could well send their funds to non-European banking centers. "These people will take their money out of the Community and settle it elsewhere," he warns. "It's a global market."

Bernhardt Wagner, an official with the German Investment Fund Association and the European Federation of Investment Funds, agrees. "If everybody in the Community had a 15 percent withholding, the capital would go overseas," he says.

German and British institutions would rather insure that this money stays in the EC, even if it remains in Luxembourg where the tax burden is light.

Many British, German and French banks and institutions have operations in the Grand Duchy, so they benefit from Luxembourg's status.

If withholding is pushed through, Mr. Doggart says, Switzerland and the Channel Islands would be the most likely benefactors of a capital pullout from Luxembourg.

"Once you bolt shut the EC's stable door, you throw all the other stable doors open," he says.

However, Pierre Boeglin, president of the French Investment Fund Association, denies there would be much capital outflow. International capital, he said, "will go wherever it wants, but what counts here is the savings of Europeans, and those savings won't leave so easily."

Mr. Boeglin says he favors the withholding measure in order to give the French fund promoters a fighting chance against the Luxembourg funds, which, like all EC-domiciled funds, will be free this fall to begin marketing operations in other member states.

"By October this year, funds from Luxembourg will be able to advertise and make cold calls in F ance," he says.

He adds, "If no measure is taken, the capital will leave us and go to Luxembourg, which offers banking secrecy and an absence of tax on interest and capital gains. It's a matter of stopping Luxembourg from fiscal dumping."

While the withholding plan could damage Luxembourg, France itself would see less impact from the proposal.

The rule would be waived for countries like France that require debt issuers and financial institutions to report to national tax authorities all interest paid out to account owners and bondholders.

But Mr. Boeglin adds that he has "a hard time understanding" why the British and Germans are not also trying to force Luxembourg to change its tax haven status, since they stand to be hurt as well when cross-border fund sales start.

But Tony Smith, president of Britain's Unit Trust Association, notes that the impact on the British groups is limited somewhat by the small proportion of funds investing in bonds. Of about 1,200 authorized British funds, all but 60 or 70 are invested in stocks, not bonds.

Nevertheless, Mr. Smith says British fund groups oppose the measure on the view that it represents "a false tax that isn't really effective." Moreover, fund administrators, already burdened with increased bookkeeping for new British regulations, fear a "back office nightmare" arising from imposition of the withholding proposal.

Mr. Doggart agreed. "Our computers at this point wouldn't be able to cope. If we had to make them cope, we'd have to charge more to our customers," he warns. "Somebody has to pay for it." □

Jacques Neher

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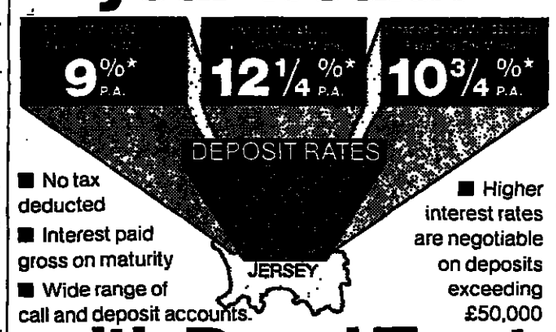

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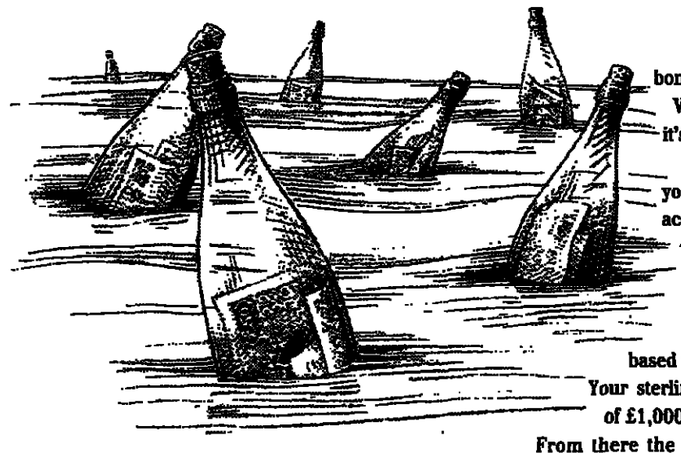

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BOURSES

Sizing Up U.S. Fund Companies

By Michael D. McNickle

New York

A LOOK AT the poor sales of mutual fund shares since the October 1987 crash understandably discourages any investor looking to invest in the fund-management industry. Few investors would expect to find promising stocks in an industry whose basic product has run into so much sales resistance.

Sales of mutual fund shares in 1988 totaled about $95 billion, reports the Investment Company Institute. With redemptions estimated at about $92 billion, net sales were roughly $3 billion. That compares with 1987's robust sales of about $190 billion, with net sales coming in around $74 billion.

But some followers of the industry say the sales figures do not tell the whole story of these stocks. Backers of the shares in selected fund-management companies see businesses that have managed to grow despite hostile conditions. The best companies have survived because of effective marketing of a broad range of investment products that can corral clients' assets in money market funds and other products when sentiment runs against stocks.

Despite the "worst environment that you can expect," notes Avi Nachmany of Strategic Insights, a mutual fund research and consulting firm, "you have an industry that's growing 6 percent or 7 percent a year."

Moreover, many of these fund-management issues have been beaten down so far that they bounce up nicely on any sign that individual investors are again taking an interest in the markets.

January's rally was a case in point, when Strategic Insights' index of fund-management stocks jumped 13 percent, about twice the increase in the Standard & Poor's 500 index. Since the first of the year, the Strategic Insights index has risen 15 percent, compared with a rise of 5 percent in the S&P 500.

A key indicator in the industry is the total assets under management, since a fund company's revenues are largely derived from percentage fees levied on the money in its funds.

Despite the drop in sales, actual assets under management in the funds are up, according to the Investment Company Institute. At the end of January, U.S. fund companies had $838.6 billion under management, compared with $809.1 billion a year earlier. When closed-end funds are included, Mr. Nachmany figures the February total swelled to $885 billion, putting the industry's assets under management at a record high.

Part of the increase in assets under management in the funds was due to the rise in the market from December 1987 to December 1988. But healthy net sales of money market, closed-end, high-yield corporate and tax-free funds contributed to the growth, according to an industry report. For the coming year, analysts are looking for continued growth in those areas to results in a moderate increase in sales.

One fund company that wins plaudits is Franklin Resources, with about $37 billion under management. The company is a major marketer of "load funds" — those that charge a sales fee and are typically sold through brokerages and other intermediaries. John Keefe, an analyst at Drexel Burnham Lambert, says Franklin's tax-exempt and high-yield corporate bond funds have shown especially strong sales.

"Franklin's assets were up 13 percent [last year] even though the industry average was up only 5 percent," he notes. "That's because they were positioned in just the right places."

He expects the company's earnings to advance to $2.80 a share this year from $2.51 in 1988. At a recent price of $28.75 a share, it is trading at about 10 times its estimated 1989 earnings.

Mr. Keefe and Dean Eberling, an analyst at Shearson Lehman Hutton, also see long-term potential in the shares of Dreyfus and T. Rowe Price.

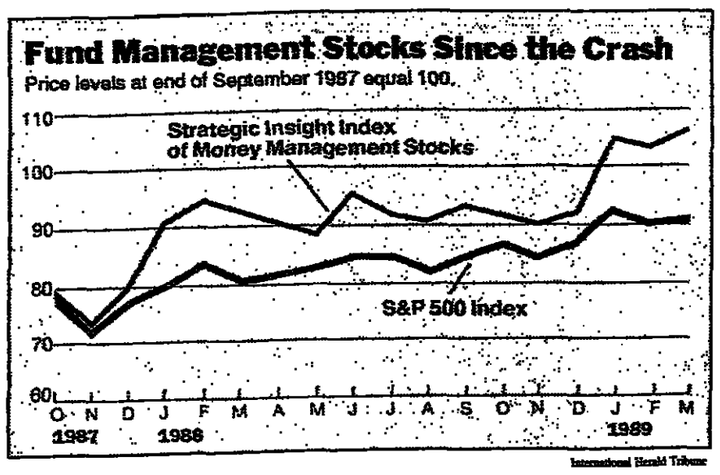
Dreyfus, a "no-load" group that markets its own funds, has about $39 billion under management, half of which is in money market funds. An added allure is the $13 a share in cash and marketable securities on the company's balance sheet, or around half the stock price. Mr. Eberling figures holders of Dreyfus shares have a substantial "downside cushion."

A well-balanced range of products is also the story at T. Rowe Price. About 33 percent of the assets under management are in stocks, 37 percent in bonds and 30 percent in money market funds. "Again, you don't have a lot of exposure to any one class of investments," says Mr. Eberling. "That helps protect the revenue stream and the earnings stream."

Fund-management shares also look like bargains when their current value measures like price-earnings ratios are compared with those of the market as a whole. "They are the cheapest that they have been on a relative basis over the past five years," says Mr. Eberling. "The valuations are still, I think, very appealing for an industry that generates return on equity of 30 plus percent."

But skeptics about the industry remain. Lacy Shockley, who follows fund-management companies for Mabon Nugent, does not quarrel with the notion that the stocks are at low relative values historically and that the better run companies may turn in strong performances in the long view. But she is far less impressed by the industry's growth in assets and would prefer to see some sign of strong expansion.

"They are not getting in new money at any kind of significant rate," Ms. Shockley argues. "I mean the stocks are not cheap given the fact that they are not in a growth mode at the moment." □



A U.K. Profit Squeeze

Continued From Page 9

but Simon Coombe of Phillips & Drew forecast £30 million.

The question marks over the industry's future growth have persuaded some managers to tap sources other than the unit trust business, which has traditionally provided the major slice of profits. Henderson Administration has diversified heavily into pension fund management. Pension funds represent between four and five times the level of investment in unit trusts.

The trend in Britain away from compulsory corporate plans toward individual pension schemes is raising hopes that personal savings in this sector will grow rapidly.

"The government's encouragement of private as opposed to corporate pension schemes should increase investment overall, even if one manager's gain is another's loss," says Mr. Gibbs.

Another source of diversification is the PEP (personal equity plant), recently introduced by the British government as a means of encouraging investment in stocks through tax incentives. Initially limited in scope, the PEP scheme was broadened in last months's budget.

"This could help the larger fund managers who can offer PEPs in a big way," says Mr. Chester at Warburg Securities.

"To be profitable, PEPs must be managed on a large scale. They won't be of help to the small management groups, " he adds. □

STRATEGY

The Funds Warm to Timers

ONCE considered a thorn in the side of the mutual fund industry, market timers are slowing gaining respect. And some mutual fund companies are actively soliciting their business.

Market timers, who advise investors and often manage money, are a small but increasingly significant force in the mutual fund market. Relying on technical market data, such as volume and momentum, timers try to predict turns in the stock market. They generally invest in mutual funds when they foresee a market upturn, and then switch their assets into a safer portfolio, such as a money market fund, when they see a decline.

Some timers play long-term trends, while others are in and out of funds almost daily. The average number of switches executed each year by market timers varies from one to more than 30, according to MoniResearch, a newsletter that tracks timers that is based in Portland, Oregon.

Not surprisingly, most mutual funds regard timers as a nuisance. Though they execute switches within funds in the same mutual fund family, their switches create an administrative and financial burden for the funds.

"It's essentially a problem of equity between two classes of shareholders," according to Robert Pozen, general counsel for Fidelity Investments. While about 90 percent of Fidelity's shareholders switch assets one or two times a year, some 5 percent to 10 percent may move 40 to 50 times a year. Some, says Mr. Pozen, may make that many moves in a single month.

"Is it fair to impose on 90 percent of the shareholders the cost of 10 percent?" he asks.

Fidelity's response has been no, and the firm has imposed a limit of four switches a year for most of its funds. Mr. Pozen reckons that the restrictions may have cost the company more than $100 million in assets withdrawn from their funds by timers.

Still, in the increasingly competitive fund industry, a small number of funds have decided that they want business from active market timers.

"As a firm that's trying to build market share we recognize that we have to be competitive," says George Stasen, director of marketing for Rushmore Funds, a Bethseda, Maryland, fund group that is going after timers. Rushmore offers unlimited free switching among its nine no-load funds.

Mr. Stasen concedes that "catering to timers places a burden on a firm's customer support system." Large numbers of account liquidations can be expensive for a firm. He contends that Rushmore is able to turn a profit because the company's automated facilities cut down on administrative expenses.

The Boston Co., a financial services arm of Shearson Lehman Hutton Inc., is trying to work with asset allocators who do a moderate amount of switching among its funds.

"We are not going out and soliciting active market timers who move money more than four or five times a year, because we see the same problems everyone else does," says Kenneth Melanson, president of TBC Funds Distributor Inc., the Boston Co.'s registered broker for mutual funds.

The company maintains limits on switches within some of its funds. But it is willing to work with asset allocators who execute a few switches based on long-term trends.

"The category 'market timer' is scary to fund managers," says Mr. Melanson. "But for investors who limit trades or give a few days notice, we're willing to meet a happy medium."

The Boston Co. is currently studying the possibility of developing funds that could be used by active timers. Such funds would have to pass on the added administrative costs to timers in order for them to remain profitable for the company. "Market timers feel that the additional profit made by timing activities will offset additional costs," says Mr. Melanson. □

Bruce Shenitz

March Market Scoreboard

New York Stock Exchange:

Compiled by Media General Financial Services. Prices in dollars.

Best Performers	Percent Change	Price Mar. 31	Worst Performers	Percent Change	Price Mar. 31
Farah Inc.	+44	11.88	Kaufman & Broad	-31	10.38
Citizens & Southern	+44	35.88	Saatchi & Saatchi	-29	14.75
Sea Containers	+39	46.00	Artra Group	-21	25.00
Silicon Systems	+39	15.50	National Education	-19	20.13
Sun Electric Corp.	+38	20.63	Data General Corp.	-18	15.00
J.P. Industries Inc.	+34	17.63	Black & Decker	-18	19.38
Ferro Corp.	+31	44.38	Illinois Power	-17	14.50
Tonka Corp.	+30	14.00	Digital Comm. Assn.	-16	18.50
Kubota Ltd. (ADR)	+30	186.00	Tokheim Corp.	-15	19.75
Banner Industries	+29	24.25	Cineplex Odeon	-15	13.00

American Stock Exchange:

DWG Corp.	+68	12.63	Air Express Int'l	-16	14.63
Internat'l Telecharge	+48	12.00	Maxxam Inc.	-14	27.50
T2 Medical Inc.	+36	14.25	Iroquois Brands	-14	13.50
American Fructose (B)	+35	11.50	Amdahl Corp.	-11	16.63
Salem Corp.	+35	14.63	Vulcan Internat'l	-11	15.63

Over the Counter:

Minnetonka Inc.	+99	26.63	United Savings Va.	-33	10.00
Kentucky Medical Ins.	+57	21.25	Aldus Corp.	-32	14.75
Applied Solar Energy	+57	11.00	Advanced Magnetics	-28	10.25
Irwin Magnetic Sys.	+55	12.75	Dionex Corp.	-28	17.75
Florida Nat'l Banks	+46	10.25	Intergraph Corp.	-26	14.75

London Stock Exchange:

Compiled by Morgan Stanley Capital International. Prices in pence.

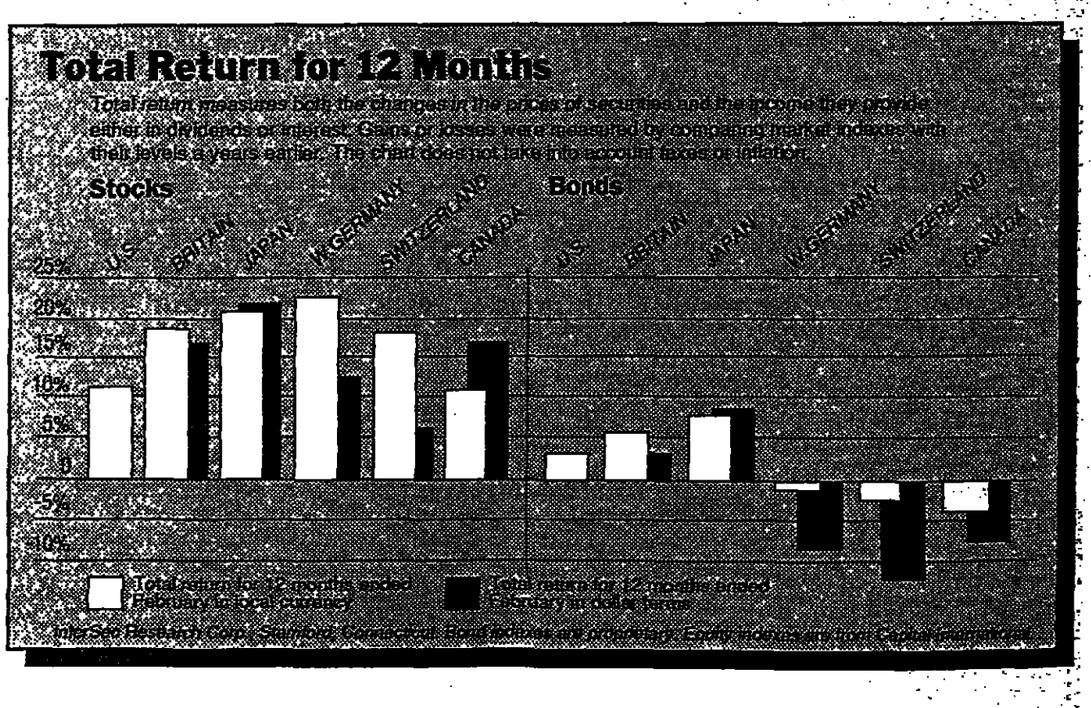
Unitech	+36	348	Scottish & Newcastle	-31	307
Racal Telecom.	+26	345	Saatchi & Saatchi	-26	291
BICC	+17	515	Greenall Whitley	-9	296
Racal Electronics	+15	394	United Scientific	-9	178
Cable & Wireless	+15	486	London International	-8	217
Prudential Corp.	+15	190	Hambros PLC	-8	227
Rentokil Group	+14	301	Morgan Crucible	-8	270
De Beers S. Africa	+14	860	British Comm. Holdings	-8	206
Grenada	+14	396	Kleinwort Benson	-7	301
Tarmac	+13	256	Reed International	-7	407

Tokyo Stock Exchange:

Compiled by Morgan Stanley Capital International. Prices in yen.

Okamura	+60	2,250	Seiyu	-15	2,000
Fujita Corp.	+50	2,190	Japan Line	-15	179
Yuasu Battery	+43	1,310	Nichido Fire/Marine	-13	1,160
Mitsui Petrochem.	+41	2,170	Tokyo Electric	-13	6,050
Nippon Stainless St.	+39	1,470	Taisho Marine/Fire	-13	1,310
Penta Ocean Const.	+39	1,650	Hankyu Department St.	-12	1,210
NGK Insulators	+37	1,680	Nippon Fire/Marine	-11	1,170
Aida Engineering	+36	1,410	Mizuno	-11	1,280
Kumagai-Gumi	+35	2,000	Hokkaido Electric	-11	3,430
Daido Steel	+34	1,570	Kyushu Electric Power	-11	3,510

International Herald Tribune



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GAME 1								
1	2	3	4	5	6	7	8	9
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18	19	20	21	22	23	24	25	
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34	35	36	37	38	39	40	41	
42	43	44	45	46	47	48	49	

GAME 2								
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34	35	36	37	38	39	40	41	
42	43	44	45	46	47	48	49	

GAME 3								
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GAME 4								
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GAME 5								
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GAME 6								
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EUROBONDS

Italian Deal Highlights Profitability Problems

By CARL GEWIRTZ
International Herald Tribune

PARIS — A jumbo £400 million Eurobond for Italy stole the spotlight last week — not a difficult feat since there were barely a dozen straight bonds issued in the international capital market. But the Italian offering would have stood out in any event as a example of the market's current troubles.

The core problem is that underwriting Eurobonds — equity-linked issues excepted — is not a profitable business. It has not been for some years and, despite an industry-wide meeting to discuss the problem this week, is unlikely to become so.

The structural fault, professionals freely admit, is the rapacious competition between banks for standing — market share — in the world's fourth-largest, but most unregulated, bond market.

The core problem is that underwriting Eurobonds is not profitable.

Unbridled competition and disorderly distribution practices create a vicious cycle that devours underwriting commissions. The basic problem is the willingness of banks to outbid each other in proposing terms to borrowers, a race — exploited by corporate treasurers — that results in the terms of new issues being set at levels rejected by investors. The disorderly distribution simply adds to the woes.

For a long while, during the extended rally in world bond markets that began in 1982, underwriters could pretend there was no problem. In an environment of declining interest rates and rising bond prices, bankers could be certain the market would bail them out — that terms on issues rejected a month earlier would suddenly become appealing.

But by early 1987, the rally had ended and underwriters could no longer count on a market improvement to turn badly priced issues into winners. Mounting losses have provoked the first big shakeout in the market's history, driving some banks to quit and others to scale back activities.

Damaged by the lack of profits and angry at the abuses that have developed, the major banks that initiate new issues are now trying to redress the situation. But Friday's annual meeting of the 60 institutions comprising the International Primary Market Association appeared intent on attacking symptoms rather than the cause of the distress.

THE SYMPTOMS ALL RELATE to underwriters' lack of discipline in distributing new issues — the readiness to dump mispriced bonds instead of trying to sell them to investors. The process is facilitated by the frequent willingness of lead managers to stabilize prices by standing ready to repurchase bonds put on sale during the initial offering period.

One proposal, which already has won wide support and is already being applied, concerns price stabilization. Instead of being able to charge the cost of stabilizing new issues to the syndicate of underwriters, the lead manager alone will bear all, if any, of the burden. On the face it, this would seem to imply more discipline on lead managers to price new issues so that no costs are incurred to keep the prices steady.

In practice, however, this means a dual market — with the lead manager bidding his price to the other members of the syndicate, while the bonds change hands among other dealers at more realistic levels.

Italy's bonds, for example, were quoted at a discount of 2 points by lead manager Credit Suisse First Boston and at a discount of 3⅛ points by the brokers. Likewise in the CSFB-managed convertible guilder issue for Intec was quoted at 99 by CSFB and 94 by the brokers.

Eliminating the lead manager's right to deduct stabilization costs from underwriting fees also will assure co-managers that all members of the syndicate purchase the bonds at the same price, with the lead manager having an extra 0.05 percentage point advantage instead of the current 0.125 percentage point or more.

At the same time, to encourage more disciplined behavior, underwriters are now being encouraged to state the amount of bonds they actually want because that is the amount they will receive and on which full commissions will be paid. In the past, underwriters were never certain of allotments — usually the full amount if the issue was a loser, less if it appeared to be a winner.

The most controversial proposal — one which could lead to a radical purge of banks active in the Eurobond market — is to have lead managers refuse to quote prices to the brokers.

These intermediaries, who take no positions in new issues but simply put buyer and seller in touch while keeping their identities secret, are not likely to be forced out of business — although it is likely to become less lucrative for them.

More significant is what happens to the hordes of co-managers that now populate the market. Of the nearly 1,000 members of the Association of International Bond Dealers only 60 are in the primary market association. An eternal question for which there is no obvious answer is whether the mass of smaller co-managers — institutions which virtually never originate new issues — have

See BONDS, Page 15

Hersant Moves on Grupo 16

Spanish Firm Calls French Act Hostile

Compiled by Our Staff From Dispatches

MADRID — Robert Hersant, the French press magnate, over the weekend moved to become a major player in Spanish media by acquiring a substantial share of Grupo 16, publisher of the third-largest national daily, Diario 16.

Jesus Santaella Lopez, an attorney for Mr. Hersant, confirmed Saturday that the French publisher had acquired 31.40 percent of the shares of Inpulsa, the Grupo 16 holding company.

He said that several separate purchases of Inpulsa shares Saturday had satisfied Mr. Hersant's objective of gaining control of "a significant, but minority stake of around 30 percent of Grupo 16."

A statement issued Saturday by Grupo 16, whose president, Juan Tomas de Salas, controls 55 percent of Inpulsa, accused Mr. Hersant of attempting "a hostile penetration," and of capitalizing on insider information provided by Grupo 16 founders and former executives.

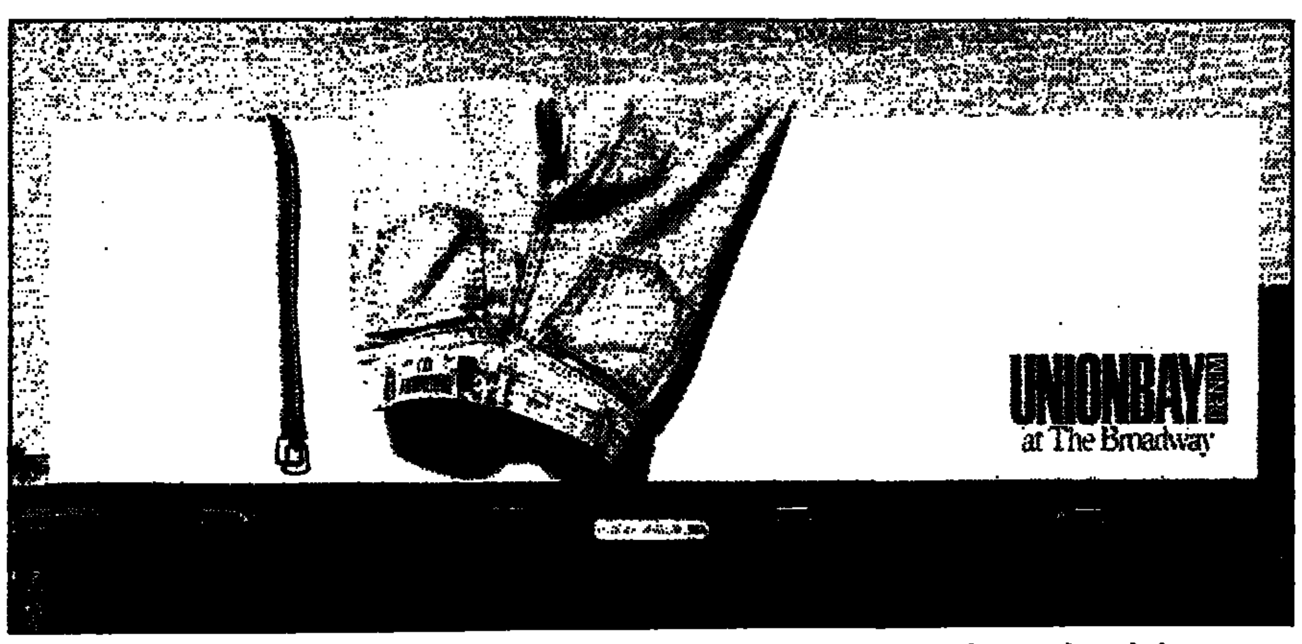
Mr. de Salas also offered to buy back some or all of Mr. Hersant's stake, claiming he wants the company to remain independent of foreign interests.

The most important of Mr. Hersant's stock purchases involved a block representing 12.17 percent of the Inpulsa shares held by the widow and children of one of the founders, Mr. Santaella Lopez said.

Diario 16 has a daily circulation of just over 136,000, putting it third behind Spain's leading daily, El Pais, and the ABC newspaper.

Mr. Santaella Lopez said Mr. Hersant had no intention of bringing about any editorial change in the group's publications, adding that "we have repeatedly expressed our respect for their ideological and profession independence."

Mr Hersant is publisher of the right-wing French daily Le Figaro, as well as France-Soir and the racing paper Paris-Turf. *(AP, AFP)*



This billboard, featuring a gigantic pair of blue jeans, appeared on a busy avenue in Hollywood for several months last summer.

Billboards: Screaming for Attention

But Some Municipalities Are Wishing They Would Just Quietly Go Away

By Bruce Horovitz
Los Angeles Times Service

LOS ANGELES — Matt Haligman got the idea one night when he slung his blue jeans across a chair. Why not do the same thing on a billboard? Just make a Goliath-sized pair of denim jeans and drape them over an outdoor board.

How to do it? Well, his ad agency found a circus tent maker willing to stitch together a 20-foot (six-meter) pair of jeans. So, for several months last summer, on a busy section of a trendy Hollywood avenue, a billboard stood with a 20-foot pair of blue jeans flung across it.

"People don't want to look at billboards," said Mr. Haligman, art director at the San Francisco ad agency Hal Riney & Partners, which created the billboard for Seattle-based jeans maker. "The object is to make the billboards so entertaining that people can't help but see them."

The object, strangely, is to somehow make billboards look like anything but billboards. And the next trick is to get people to interact with them.

One Australian ad firm, for example, is now creating a billboard for a beer maker that will feature a live woman lounging on a raft in a swimming pool atop the board.

Johnnie Walker Scotch has already begun to plaster Southern California with billboard ads that feature phone numbers next to photos of bikini-clad models. The phone calls will not result in hot dates, just suggestive recordings that are ads for the liquor.

Last week, a handful of the top creative directors in the advertising business met in Los Angeles to decide who created the most effective outdoor advertisements in 1988. They are judges for the billboard industry's Obie Awards. Although their decisions will not be made public until May, they were willing to discuss the new trends in billboard advertising.

An estimated 260,000 billboards are now vying for attention in the United States, according to estimates by the New York-based Institute of Outdoor Advertising.

Ad executives say that billboards have less than seven seconds to get their messages across. So, amid the advertising clutter, billboard advertisers must make all they can out of those few fleeting moments.

But at virtually every corner, the billboard industry is facing the threat of greater regulation. Last year, Los Angeles fell just one City Council vote shy of banning future billboard construction inside the city limits. And already, San Diego, Tucson, Phoenix, Houston and Dallas have banned new ones.

"Billboards creep up on you, kind of like smog," said Ted Wu, chairman of the sign committee of the nonprofit organization, Los Angeles Beautiful. "You can put down a newspaper or flick off the television or radio, but you can't turn off billboards." Mr. Wu, who is a Los Angeles architect, wants all billboards banned in Los Angeles.

Billboards, however, are big business. Last year, an estimated $1.8 billion was spent on U.S. billboards — up 8 percent from 1987. And billboard companies spend hundreds of thousands of dollars annually lobbying in Washington to fight off stricter regulations.

Well aware of the sentiments of a growing number of anti-billboard organizations, billboard companies like Gannett Outdoor Co. and Patrick Media Group are desperately trying to upgrade the image of billboards by publicizing the prize-winners. And the ad agencies that create the boards are faced with the tough task of designing billboards that get attention — but that are not offensive.

Billboards are fast becoming "more like theater than ads," said Ted Shaine, senior vice president and associate creative director at the New York ad firm Ammirati & Puris.

Last year, Harding Carpets, a Toronto-based carpet maker, put 237 billboards around Canada that were made entirely of the firm's carpeting. "It was a way to brighten up a dull, Canadian winter," explained Greg MacKeen, senior vice president of marketing.

His company got a year's worth of national publicity for the $600,000 gimmick, said Mr. MacKeen "That's about what it costs for one Super Bowl spot. Now, which would you rather have?"

Executives say that by the turn of the century, printed billboards may be a thing of the past. Giant video screens — much like those seen at some sports facilities — will replace most of them. And in some cases, the ads on these boards will be beamed down by satellites.

Africans Ask Debt Write-Off

28 Poor Countries Warn of Collapse

Reuters

ADDIS ABABA — Africa's poorest nations have called on foreign creditors to write off all their foreign debt, saying most are on the verge of economic collapse.

The appeal by 28 countries was made in a declaration presented to a meeting of African economic planning and development ministers which was due to end on Sunday.

A separate report noted that the foreign debt of the 28 — which are among 42 nations worldwide classified as least developed countries — had tripled this decade, to $40.2 billion. African countries are estimated to have $218 billion in foreign debt, mostly owed to governments.

The declaration on measures to accelerate development expressed concern about falling prices for commodity exports. It also mentioned inadequate foreign aid, hardening terms on such aid and growing debt, all aggravated by severe weather and refugee problems.

"The combination of all these factors has led to the increase in the number of LDCs in Africa from 21 in 1981 to 28 in 1988 and brought most of our countries to the verge of economic collapse," the declaration said.

"The magnitude of this debt may seem modest, but in fact it represented 90.5 percent of the combined gross domestic product of the African LDCs in 1987."

The declaration painted a bleak picture of deprivation, in which average per capita income of the least developed countries fell to $220 a year in 1987-1988 from $237 in the period from 1980 to 1984.

Only one-fifth of adults were literate in the poorest countries, life expectancy was 45 years and economies were growing at an annual rate in real terms of just 0.4 percent, the declaration said.

With populations growing at a rate six times higher, per capita income would be halved over 20 years, it said.

The economies suffered from slow disbursement of aid, growing trade protectionism abroad, chronic balance-of-payments problems, recurrent drought, and increasing difficulties in importing raw materials, spare parts and equipment due to lack of foreign exchange.

In addition to writing off their foreign debts, the countries called on the international community to:

- Fund all food and other emergency relief operations.
- Supply adequate aid, in grants, for balance of payments and other immediate needs.
- Allocate a bigger share of funds from multilateral institutions to the poorest countries.
- Remove tariff and nontariff trade barriers and provide a bigger share of resources under existing compensatory financing schemes to cover shortfalls on commodity exports to developed nations.

Trade Deadlock Ends in Broad Accord by GATT Officials

By Stuart Auerbach
Washington Post Service

WASHINGTON — Officials from more than 100 countries have broken a four-month deadlock that had threatened the world's free-trade system by reaching compromise settlements on four key issues.

The resolution of the trade disputes on Saturday, accomplished in part by a U.S. retreat from its demand for an end to all trade-distorting farm subsidies, provides a springboard for continued efforts to fight global protectionism.

"It was so important to American trade and to world trade that we succeed," the U.S. trade representative, Carla A. Hills, said here in announcing the outcome of a week of trade talks that ended Saturday in Geneva.

If the talks had broken down, analysts feared the collapse of international rules governing free trade — a system that has been given credit for much of the economic growth since World War II — and an increase in trade restrictions that could have contributed to a slowdown of the world economy.

The U.S. administration believes that a four-year effort to expand and strengthen the 41-year-old compact that polices world trade, the General Agreement on Tariffs and Trade, can further reduce barriers that hurt U.S. farmers and businesses trying to sell goods and services overseas.

The four agreements comprised the agricultural issue; recognition that developing nations need to find ways to end curbs by the industrialized world on their textile exports; a pact to set and enforce standards to eliminate theft of intellectual property, such as patents and trademarks; and a deal to clarify GATT rules that allow temporary measures to curb imports that threaten serious injury to domestic industries.

Besides the four accords approved Saturday, the Geneva talks cut loose 11 other trade agreements that had been put on hold because of the stalemate. These included a landmark pact that establishes rules for free trade in service industries.

"We are delighted that the mid-term stalemate is broken," Mrs. Hills said. "Tough negotiations lie ahead, but we now have in place frameworks that will permit intensified negotiations directed toward the goals the United States is seeking."

She added that a successful end to the trade talks would help reduce the nagging U.S. trade deficit and assure that the improvement would be driven by increased exports rather than by cutting imports through protectionist measures.

The key factor in moving the talks forward was a break Friday in a logjam between the United States and its closest allies of Western Europe over farm-trade supports. But problems also developed during the negotiations last week over efforts by industrialized nations to impose trade sanctions against the piracy of patented products and moves by textile exporters to win an end to import curbs on their products.

Ms. Hills said the farm agreement is "very good from the point of view of the United States," and asserted that it allows the country to maintain its own export subsidies for overseas farm sales on the grounds that the EC refused to give up its payments.

Currency Rates

Cross Rates

April 7

	$	£	D.M.	F.F.	Il.L.	Gldr.	B.F.	S.F.	Yen
Amsterdam	2.11	3.591	1.1281	0.3341	0.1538 *	—	5.388 *	1.2854	1.5983 *
Brussels(a)	39.1575	66.64	20.9405	6.2025	2.8543 *	18.563	—	23.8685	0.2968
Frankfurt	1.8693	3.183	—	0.2962	0.1363 *	0.8865	4.776 *	1.1393	1.4175 *
London (b)	1.6975	—	3.1873	10.7398	2,329.50	3.5873	66.485	2.7958	224.875
Milan	1,372.60	2,335.15	733.81	217.37	—	650.48	35.038	835.85	10.399
New York(c)	—	1.695 b	1.8773	6.3395	1,376.50	2.117	39.31	1.6583	132.75
Paris	6.3145	10.744	3.3761	—	0.4602 *	2.9931	0.1612	2.8468	4.786 *
Tokyo	132.20	225.14	70.66	20.93	0.964	62.44	3.3776	80.41	—
Zurich	1.6452	2.799	87.90	0.2603	0.1198 *	0.7791	4.1991 *	—	1.2439 *
1 ECU	1.1127	0.6538	0.2081	0.7027	1,527.16	0.2348	43.5811	1.8365	146.847
1 SDR	1.3886	0.764	2.4312	8.2126	N.Q.	2.7443	50.9282	2.3343	171.809

*Closings in London, Tokyo and Zurich, fixings in other centers. New York closing rates. a: Commercial franc; b: To buy one pound; c: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argen. austral	20.075	Fin. markka	4.204	Mex. peso*	2392.00	S. Afr. rand	2.546
Austral. $	1.2375	Greek drac.	158.65	N. Zealand $	1.6407	Soviet ruble*	0.6291
Austr. schil.	13.15	Hong Kong $	7.7822	Nig. naira*	5.2995	Span. peseta	115.95
Brazil cruz.	0.99	Indian rupee	15.5933	Norw. krone	6.798	Swed. krona	6.373
Canadian $	1.1919	Indo. rupiah	1755.00	Phil. peso	21.371	Taiwan $	27.28
Chinese yuan*	3.7221	Irish £	0.70	Port. escudo	153.75	Thai baht*	25.525
Danish krone	7.2675	Israeli shek.	1.80	Saudi riyal*	3.7505	Turkish lira	2005.00
Egypt. pound	2.423	Kuwaiti dinar*	0.2985	Sing. $	1.9475	UAE dirham*	3.6728
		Malay. ring.*	2.7495	S. Kor. won	665.20	Venez. boliv.	34.75

*New York rates unless marked * (local rate.)*

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.7084	1.6963	1.6926	Canadian dollar	1.1941	1.1960	1.1979
Japanese yen	131.28	130.62	130.05	Swiss franc	1.6325	1.6266	1.6210
Deutsche mark	1.8607	1.8543	1.8490				

Sources: Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); IMF (SDR); BAII (dinar, riyal, dirham); Gosbank (ruble). Other data from Reuters and AP.

Last Week's Markets

All figures are as of close of trading Friday

Stock Indexes

United States	Apr. 7	Mar. 31	Ch'ge
DJ Indus.	2,304.80	2,293.62	+ 0.49 %
DJ Util.	186.70	184.03	+ 1.45 %
DJ Trans.	1,070.67	1,060.16	+ 0.99 %
S & P 100	278.20	276.59	+ 0.58 %
S & P 500	297.16	294.87	+ 0.78 %
S & P Ind	342.30	n.a.	— %
NYSE Cp	166.93	165.63	+ 0.79 %
Britain			
FTSE 100	2,045.70	2,075.00	— 1.41 %
FT 30	1,683.00	1,707.90	— 1.46 %
Japan			
Nikkei 225	33,185.05	32,838.68	+ 1.06 %
West Germany			
Commerzbk	1,678.50	1,646.90	+ 1.92 %
Hong Kong			
Hang Seng	3,024.09	3,004.98	+ 0.64 %
World			
MSCIP	505.80	500.80	+ 1.00 %

World Index From Morgan Stanley Capital Int'l.

Money Rates

United States	Apr. 7	Mar. 31
Discount rate	7.00	7.00
Federal funds rate	9¾	10.00
Prime rate	11½	11½
Japan		
Discount	2½	2½
Call money	4 1/32	4 5/32
3-month interbank	4 19/32	4 19/32
West Germany		
Lombard	6.00	6.00
Call money	5.95	4½
3-month interbank	6.40	6½
Britain		
Bank base rate	13.00	13.00
Call money	12⅛	12¾
3-month interbank	13 3/16	13 1/16

Gold	Apr. 7	Mar. 31	Ch'ge
London p.m. fix,$	382.25	383.20	—0.25 %

IMF Chief Says China Must Achieve Reforms

By Reginald Dale
International Herald Tribune

WASHINGTON — Michel Camdessus, managing director of the International Monetary Fund, who was to start a series of talks with high-level Chinese officials in Beijing Monday, says he believes it is "essential" that the world's most populous Communist country succeeds in its bid for market-oriented economic reforms.

The fund, Mr. Camdessus said in an interview, does not see it as its job to turn the Chinese into good capitalists. "We are not a school of capitalism."

But, he said, at this "particularly burning juncture" in China's drive for reform, "we are intensifying our dialogue with the Chinese authorities to see with them how to recover control of the situation."

By that, he said, he meant that Chinese inflation must be brought under control so as to prevent the entire reform process from being derailed.

China, under different regimes, has been a member of the IMF since its founding in 1945. But Mr. Camdessus's trip this week represents the first major official visit to Beijing by a fund managing director.

In June, Mr. Camdessus said, the fund is organizing a seminar in Beijing, at which Paul Volcker, the former chairman of the U.S. Federal Reserve Board, and leading Western central bankers will give the Chinese the benefit of their experience with monetary policy.

China's problem, according to Mr. Camdessus "is how to move to an open price system without the checks and balances of a market economy, which are ultimately company profit and loss accounts, and how the central bank can tackle the over-liquidity of the economy in the transitional period."

Reuters

'All centrally planned economies are looking to the Chinese experience.'

Michel Camdessus, IMF managing director.

"You find the same problems in countries like Hungary and Yugoslavia," he said.

One of the reasons why the Chinese reforms are so important, Mr. Camdessus said, is that "all centrally planned economies are looking to the Chinese experience, and if they succeed, another great part of humanity would benefit from their experience."

In addition to the fund's regular economic consultations with China, which operate on the same basis as those with all the other 150 members, the IMF has for some time had high-level experts helping the Chinese "to improve the key sectors of their finan-

See CHINA, Page 15

New Issue
April 10, 1989

This advertisement appears as a matter of record only.

EUROPEAN INVESTMENT BANK
Luxembourg

BEI EIB

DM 600,000,000
6⅝% Bearer Bonds of 1989/1996

Offering Price: 101⅛%
Interest: 6⅝% p.a., payable annually on April 10
Maturity: April 10, 1996
Listing: Frankfurt am Main, Berlin, Düsseldorf, Hamburg and München

Deutsche Bank Aktiengesellschaft
Dresdner Bank Aktiengesellschaft
Commerzbank Aktiengesellschaft
Westdeutsche Landesbank Girozentrale

Arab Banking Corporation – Daus & Co. GmbH
Bankers Trust GmbH
Bayerische Vereinsbank Aktiengesellschaft
Berliner Handels- und Frankfurter Bank
CSFB-Effectenbank
DG BANK Deutsche Genossenschaftsbank
Georg Hauck & Sohn Bankiers Kommanditgesellschaft auf Aktien
Bankhaus Hermann Lampe Kommanditgesellschaft
Marcard, Stein & Co.
J. P. Morgan GmbH
Sal. Oppenheim jr. & Cie.
Simonbank Aktiengesellschaft
Vereins- und Westbank Aktiengesellschaft
Baden-Württembergische Bank Aktiengesellschaft
Bayerische Hypotheken- und Wechsel-Bank Aktiengesellschaft
Joh. Berenberg, Gossler & Co.
Bankhaus Gebrüder Bethmann
Delbrück & Co.
DSL Bank Deutsche Siedlungs- und Landesrentenbank
Hessische Landesbank – Girozentrale –
Landesbank Rheinland-Pfalz – Girozentrale –
Merck, Finck & Co.
The Nikko Securities Co., (Deutschland) GmbH
Schweizerische Bankgesellschaft (Deutschland) AG
Südwestdeutsche Landesbank Girozentrale
M. M. Warburg-Brinckmann, Wirtz & Co.
Bank für Gemeinwirtschaft Aktiengesellschaft
Bayerische Landesbank Girozentrale
Berliner Bank Aktiengesellschaft
Citibank Aktiengesellschaft
Deutsche Girozentrale – Deutsche Kommunalbank –
Hamburgische Landesbank – Girozentrale –
Industriebank von Japan (Deutschland) Aktiengesellschaft
Landesbank Saar Girozentrale
B. Metzler seel. Sohn & Co. Kommanditgesellschaft auf Aktien
Norddeutsche Landesbank Girozentrale
Schweizerischer Bankverein (Deutschland) AG
Trinkaus & Burkhardt KGaA
Westfalenbank Aktiengesellschaft

Weekly International Bond Prices

Provided by Credit Suisse First Boston Securities, London, Tel.: 01 323 11 30
Prices may vary according to market conditions and other factors.

April 6

Dollar Straights

Issuer	Cpn	Mat	Price	Yld Mat	Spd Trsy
Australasia					
Aust Com Bk	10	93	99¼	10.18	+175
Australia	11	95	103⅝	10.19	+151
Australia	11½	95	106	10.17	+146
Austria Contrl	12¼	93	93¾	14.49	n.a.
Council Europe	13	93	97¾	13.89	n.a.
Eurofima	13	93	97⅞	13.71	n.a.
N S Wales Trsy	11¼	90	101½	10.14	+241
New Zealand	7¼	89	98½	10.54	+335
New Zealand	7¾	90	97¼	10.29	+253
New Zealand	7½	91	93½	10.45	+257
New Zealand	7⅝	91	93½	10.57	+244
New Zealand	8	93	92½	10.40	+205
New Zealand	8¼	93	93¼	10.41	+209
New Zealand	8½	93	94¼	10.37	+206
New Zealand	10¼	95	99¼	10.40	+171
New Zealand	8	97	88	10.28	+148
Qantas	10⅝	95	101¼	10.06	+138
Qantas	8⅝	96	92⅝	10.16	+142
Queensland	11⅝	89	100⅛	10.76	+339
Queensland	8	91	95⅛	10.59	+257
Queensland	7¼	92	91⅞	10.58	+237
Queensland	10¼	95	100⅝	10.05	+135
St Bk Sth Aust	10¼	92	99½	10.44	+224
St Bk Sth Aust	9¼	93	96½	10.38	+208
Sth Aust Gov	8⅝	93	94⅝	10.43	+211
Victoria Sec 5	10	92	98⅝	10.39	+211
Victoria P	11⅝	92	102⅝	10.46	+225
Victoria Sb	8½	93	93⅝	10.44	+209
Victoria Publ	8⅝	96	90⅝	10.30	+153
Canada					
B C Hydro	15¼	92	112¼	10.55	+231
B C Hydro	11¾	93	103⅝	10.56	+214
Bank of Nova S	8⅝	90	97¼	10.52	+270
Canada	11½	90	101	10.28	+271
Canada	10	95	101	9.76	+105
Canada	9	96	96¾	9.67	+94
Canadair	12½	89	100⅝	10.75	+344
Canadian Pacif	12½	90	102¼	10.68	+283
Canadian Pacif	7½	96	86	10.38	+164
E D C	12	89	100½	10.40	+312
E D C	10	90	99¾	10.15	+238
E D C	8¼	91	96⅝	10.29	+235
E D C	8½	92	95½	10.33	+213
Farm Credit	7½	93	90	10.31	+188
Farm Credit	7¾	96	88⅝	10.04	+129
Manitoba	11¾	89	100¼	10.72	+341
Manitoba	10½	90	100¼	10.19	+243
Manitoba	8¾	91	97¼	10.44	+251
Manitoba	12½	94	109⅝	10.21	+160
Manitoba	7½	96	87⅞	10.12	+138
Olymp York	8¼	96	89⅞	10.32	+157
Ontario Hydro	11¼	89	100¼	10.51	+312
Ontario Hydro	10¼	90	100	10.21	+246
Ontario Hydro	11¾	90	101¾	10.29	+245
Ontario Hydro	13½	91	105	10.37	+243
Ontario Hydro	12⅝	92	106	10.55	+229
Ontario Hydro	15	92	112¼	10.38	+213
Ontario Hydro	11⅛	94	105½	10.13	+165
Petro-Canada	7¼	96	86⅝	10.04	+130
Prov Albert	7⅝	91	93⅝	10.32	+218
R B C	8⅝	93	93¼	10.44	+209
Saskatchew	11⅝	89	100½	10.40	+309
Saskatchew	10¼	90	100¼	10.38	+283
Saskatchew	7½	91	94¼	10.43	+238
Saskatchew	8½	91	96¼	10.46	+251
Saskatchew	10¼	92	100⅝	10.41	+222
Saskatchew	15	92	112	10.49	+224
France					
B F C E	7¼	91	93⅝	10.35	+224
B F C E	7	92	91⅞	10.31	+211
B F C E	7¼	93	89⅝	10.44	+210
B F C E	7⅝	96	88⅝	10.08	+132
B F C E	7⅝	97	87⅞	10.05	+126
B N P	8¼	93	94½	10.51	+219
C A E C L	9⅝	95	95⅝	10.28	+158
C C C E	7⅛	91	93	10.37	+226
C E P M E	7⅜	91	94⅛	10.29	+223
C E P M E	10⅛	91	99¾	10.18	+236
C E P M E	7¼	92	92⅝	10.35	+214
C N C A	10	90	99½	10.28	+244
C N C A	11¼	90	100	10.92	+348
C N C A	7¼	91	92½	10.57	+242
C N C A	13¼	91	104	11.00	+299
C N C A	11½	92	102⅝	10.42	+221
C N C A	7½	94	89⅝	10.39	+191
C N C A	7½	96	86⅝	10.15	+145
C N E	11¼	95	106⅝	10.17	+150
C N T	7	91	92½	10.34	+220
C N T	13¼	91	105⅝	10.54	+252
C N T	8½	93	94½	10.37	+206
Cr Foncier Ew	10⅝	91	101⅛	10.23	+223
Cr Foncier Ew	12½	92	105⅝	10.26	+202
Cr Foncier	7½	94	90⅝	10.15	+169
Cr Lyon F/P	7¾	93	91	10.40	+201
Cr Lyonnais	9	91	97⅞	10.28	+234
Cr Lyonn	8¾	92	95½	10.47	+225
Cred National	8¼	93	93⅝	10.27	+194
Credit Nat	7¼	91	93⅛	10.29	+214
Credit Natl	7⅝	92	92⅝	10.33	+212
E D F	7¾	93	91⅛	10.13	+168
E D F	11⅛	93	106⅝	9.16	+83
E D F	10	95	98	10.43	+174
S N C F	11½	93	103¾	10.28	+196
S N C F	7¼	94	89¼	10.18	+171
S N C F	7¾	96	88⅝	10.05	+131
Japan					
All Nippon Air	9⅝	97	94¾	10.34	+153
Bk of Tokyo	13⅝	89	101	10.61	+340
Bk of Tokyo	11	90	100½	10.38	+279
Bk of Tokyo	11⅜	90	101¾	10.59	+270
Bk of Tokyo	8	93	91⅞	10.27	+182
Bk of Tokyo	8⅝	96	91¾	10.08	+134
Dai-Ichi	10⅝	90	99¾	10.51	+273
Dai-Ichi	12¼	90	102	10.62	+278
Dai-Ichi	7¾	91	94	10.41	+227
Dai-Ichi	8⅛	91	95¼	10.62	+246
Daiwa 5	7⅝	92	92½	10.49	+229
Daiwa 2	7⅝	93	90¼	10.59	+213
Dkb Asia	8⅛	91	95⅝	10.45	+241
Dkb Asia 2	8	93	91⅛	10.39	+198
Fuji B & T	7⅝	91	93½	10.61	+250
Fuji Intl	10⅞	90	99½	11.34	+360
Ibm Japan	7¼	91	92¼	10.46	+231
Ind Bk Jap	7⅝	92	92⅝	10.58	+241
Ind Bk Jap	8	93	92⅛	10.33	+196
Ind Bk Jap	7⅝	97	88⅝	10.07	+128
Jap Airl	8¼	96	89⅛	10.25	+152
Jap Airl	8⅛	96	89⅛	10.19	+142
Jap Dev Bk	8	94	91⅞	10.10	+157
Jap Highway	7⅜	96	87¼	10.21	+147
Kobe Steel	7⅝	92	93¼	10.47	+228
L T C B	11⅞	89	100	n.a.	
L T C B	11	90	100¼	10.63	+307
L T C B	8	91	94¾	10.61	+256
L T C B	7¼	93	91¼	10.45	+210
L T C B	8	93	92¼	10.43	+209
L T C B	8⅛	93	94½	10.38	+207
L T C B	8	96	89	10.16	+140
L T C B	8	97	89	10.10	+132
Metro of Tokyo	9½	93	98½	10.01	+171
Metro Tokyo	8¼	96	90¼	10.03	+126
Mitsub Ew	12⅝	89	100¾	10.58	+328
Mitsub Finance	11⅛	90	100¼	10.59	+282
Mitsub Fin 2	7⅝	93	90¼	10.45	+201
Mitsubishi	7¼	92	92¼	10.63	+246
Mitsui Tsl	12⅝	89	100¾	10.73	+344
Mitsui Tst 2	7¾	94	89⅞	10.55	+206
N C B	13⅞	89	100½	10.63	+358
N C B	11	90	100½	10.44	+270
N C B	11⅞	90	101¼	10.52	+265
N C B	7½	91	92¼	10.72	+258
N C B	8½	91	96⅛	10.78	+282
N C B	8	93	91½	10.49	+218
N C B	11¼	93	102½	10.40	+209
N C B	10⅛	95	101	10.13	+144
N C B	10⅛	95	102¼	10.12	+140
Nippon Tel Tel	9½	95	98.050	9.93	+125
Nomura Intl	7¼	92	91⅞	10.50	+229
Panasonic	9	92	96¼	10.32	+207
Sanwa Intl	11⅞	92	101½	11.16	+299
Sumitomo	10⅞	90	100¼	10.57	+281
Sumitomo 2	7¾	91	93⅝	10.65	+253
Sumitomo	12⅝	91	103⅞	10.58	+259
Sumitomo Bk	7½	92	92½	10.62	+241
Sumitomo	11¼	92	103	10.49	+229
Taiyo Kobe 2	7¾	94	89⅞	10.56	+208
Tokai Asia	11½	95	104⅞	10.39	+171
Tokai Bank	7½	91	94¼	10.76	+276
Toyo Trust 2	7¾	92	92½	10.59	+241
Toyota	7	89	97¾	10.49	+315
Toyota	8⅝	90	98	10.44	+267
Toyota	8⅝	90	97¾	10.32	+249
Toyota	9	90	97¼	10.47	+258
Toyota	7⅛	92	92¼	10.45	+227
Toyota Motor	8	91	95¼	10.58	+263
Toyota Motor	8	91	95⅛	10.56	+260
Toyota Motor	8½	91	95⅜	10.81	+282
Toyota Motor	9⅝	90	98¼	10.46	+261
Yasuda Tst	12⅛	89	100	n.a.	
Yasuda Tst	8½	93	93¾	10.39	+203
Scandinavia					
Denmark	7	89	98½	10.51	+334
Denmark	11¼	89	100	10.32	+342
Denmark	11½	90	101¼	10.18	+244
Denmark	8¼	91	95⅝	10.37	+233
Denmark	12	91	102½	10.47	+252
Denmark	13	91	104½	10.48	+248
Denmark	13¼	91	105⅛	10.68	+259
Denmark	7⅝	92	92⅛	10.40	+221
Denmark	11½	92	102⅝	10.32	+211
Denmark	7¼	93	91⅞	10.30	+197
Exportfinans	8½	90	97¼	10.32	+243
Exportfinans	8½	91	96¼	10.32	+249
Exportfinans	7¼	92	92⅞	10.31	+213
Exportfinans	11¼	92	102¼	10.32	+212
Exportfinans	7⅝	93	90¼	10.32	+192
Exportfinans	7⅝	93	90⅛	10.31	+186
Exportfinans	7⅞	96	87⅞	10.21	+144
Fin Export	8½	92	95½	10.35	+215
Finland	9⅛	92	96¼	10.36	+207
Forsmarks	8⅝	91	97¼	10.43	+250
N I B	7½	91	93½	10.50	+238
N I B	8⅝	91	96½	10.44	+248
N I B	7½	93	90¼	10.36	+197
N I B	8¼	93	93⅜	10.29	+198
N I B Ser A	9⅝	96	96½	10.35	+162
Norsk Hydro	8¼	90	98	10.37	+257
Norsk Hydro	8½	91	96¼	10.53	+260
Norsk Hydro	7	92	92	10.49	+233
Norsk Hydro	9	94	94¼	10.42	+193
Norsk Hydro	8	96	88⅝	10.33	+159
Norsk Hydro	8¼	97	89¼	10.29	+149
Norway	7¼	91	93⅞	10.28	+222
Norway	8⅝	93	95⅝	10.08	+177
Oslo	9	98	94¼	9.97	+106
S A S	10⅛	95	99	10.32	+160
S E K	11½	89	100	n.a.	
S E K	6⅝	90	97	10.25	+268
S E K	7¼	91	93	10.35	+220
S E K	8⅛	91	96½	10.25	+231
S E K	8⅝	91	97¼	10.34	+239
S E K	8⅛	92	94⅝	10.33	+213
S E K	10	92	99	10.37	+214
S E K	7½	93	91⅛	10.29	+196
S E K	9⅝	93	98⅝	10.22	+191
S E K	7½	94	90	10.17	+167
Saab Scania	9½	91	98¼	10.55	+262
Saab Scania	7¼	92	92⅞	10.67	+247
Skandi Enskild	8¼	90	97¼	10.42	+267
Skandia Ins	7¼	92	91⅞	10.65	+245
Statoil	7	89	99¾	12.03	+511
Statoil	13½	89	100½	10.67	+359
Statoil	10	90	99½	10.33	+253
Statoil	7⅝	94	89⅝	10.38	+190
Statoil	9¼	96	94⅝	10.35	+163
Sweden	11½	89	100¼	10.65	+329
Sweden	12⅝	89	100	11.21	+429
Sweden	10⅞	90	100¼	10.87	+233
Sweden	7	91	93	10.30	+220
Sweden	7	92	92¼	10.22	+203
Sweden	8½	92	94½	10.50	+225
Sweden	9¼	92	98¼	10.33	+205
Sweden	10¼	92	100¼	10.12	+184
Sweden	8⅝	94	92⅝	10.05	+149
Sweden	11¾	94	103½	10.86	+248
Sweden	8¼	96	94⅝	9.86	+112
Volvo	7¾	90	97½	10.52	+291
Supranational					
Council Europe	8	96	89⅝	10.06	+131
Council Eur	9⅝	96	96⅞	10.02	+129
E C S C	11⅛	90	101¼	10.26	+246
E C S C	7¾	91	95¼	10.24	+222
E C S C Tr A	8¼	96	90½	10.06	+129
E C S C	9⅝	96	96⅞	10.01	+129
E E C	8	90	97¼	10.32	+253
E E C	9⅝	90	98¼	10.63	+284
E E C	11⅛	90	100½	10.15	+268
E E C	7	91	92¼	10.30	+216
E E C	8⅛	91	97¾	10.22	+229
E E C	8¼	92	94½	10.34	+211
E E C	7¼	93	91	10.15	+184
E E C	8⅝	93	91	11.36	+305
E E C Oct	12	93	99¾	12.02	+361
E E C	8¼	96	91⅛	10.04	+129
E I B	11½	90	101¼	10.22	+233
E I B	11	91	101¼	10.22	+227
E I B	10¼	92	100¼	10.12	+244
E I B A	7⅝	93	90⅝	10.15	+170
E I B	7¼	93	91¼	10.23	+180
E I B	10⅛	93	101	10.42	+285
E I B	11⅞	93	105⅞	10.14	+172
E I B	10¼	94	98¼	10.65	+282
E I B	12⅝	94	110½	10.12	+160
E I B	12	95	108½	10.06	+138
E I B	7½	96	93⅛	8.78	n.a.
E I B	7¼	96	88¼	9.99	+124
E I B	9⅝	97	96⅞	9.92	+110
Eurofima	7¼	91	94¼	10.40	+235
Eurofima	9⅛	96	96⅛	10.01	+128
I A D B	12¼	91	104⅝	10.64	+252
I A D B	9⅝	95	98⅝	10.08	+136
I A D B	10½	95	101⅞	10.06	+136
I A D B	7⅝	96	87⅝	10.06	+130
World Bk	10⅞	90	100¼	10.19	+276
World Bk	11¼	90	101¼	10.22	+237
World Bk	11½	90	101½	10.12	+232
World Bk Jan	7	92	92⅝	10.26	+208
World Bk	11	92	101⅝	10.17	+198
World Bk	10⅞	93	102½	10.08	+175
World Bk	12	93	106½	10.06	+166
World Bk	12¼	94	108⅝	10.07	+144
World Bk	12⅝	94	111	10.09	+150
World Bk	10⅛	95	100⅞	9.89	+120
World Bk	7¾	97	88½	9.93	+114
World Bk	9	97	94⅝	9.91	+109
World Bk	8½	16	87¼	9.86	+79
World Bk	9¼	16	94¼	9.86	+80
World Bk	9⅝	16	99	9.85	+79
United Kingdom					
Abbey Natl	7½	92	92⅜	10.73	+254
Barclays	10⅛	90	99½	10.44	+263
Barclays	10⅝	95	101½	10.28	+156
BP Capital	9⅝	93	97¼	10.52	+222
Brit Petro	11⅛	92	100¼	10.76	+293
Brit Tele	8⅝	94	95⅛	10.04	+145
Brit Telecom	8⅝	95	93½	10.14	+147
British Tel	7⅝	96	87½	10.07	+131
Gef Co	7⅝	97	87⅝	10.06	+127
Halifax	7½	92	93	10.45	+226
Marks Spenc	8¼	96	90½	10.16	+141
Midland	11½	92	102¼	10.67	+239
Natwest	7½	91	94¼	10.55	+253
Natwest	11¾	92	103⅛	10.38	+211
U K Treasuries	10	92	103⅛	8.71	n.a.
U K Treasuries	10½	92	104¼	8.85	n.a.
U K Treasury	13½	08	134	9.81	n.a.
United States					
A T & T	9	16	90¾	10.00	+94
Aetna Life	7¾	16	92¼	8.48	+169
Amer Genl	9	94	97⅝	9.61	+305
Amer Genl	8½	98	89⅝	10.28	+142
Betawest	10¼	92	99⅛	10.51	+222
Betawest	7¾	93	91½	10.49	+214
C C C E	9¼	95	96½	10.04	+138
Campbell	10½	95	100⅝	10.41	+171
Campbell	7½	98	85	10.10	+151
Chevron Corp	8¼	96	90⅝	10.24	+151
Chrysler Fin	8½	90	97	10.94	+313
Chrysler Fin	8⅝	93	97½	9.16	+84
Citicorp	8¾	90	97½	10.76	+295
Coca-Cola	8¼	90	96¼	11.10	+331
Coca-Cola	8¾	92	95½	10.35	+209
Colgate-Pal	9½	96	94⅛	10.60	+187
Connect Mtl	11	95	101⅛	10.69	+256
Eli Lilly	10¼	92	100	10.21	+194
Emerson	9⅝	95	97	10.34	+153
Equit Life	10⅝	92	99¼	10.37	+214
Ford Canada	9¼	94	96¼	10.16	+158
Ford Motor	7¼	89	99¾	10.62	+372
Ford Motor	8	89	99¾	10.40	+333
Ford Motor	8¾	90	97½	11.02	+325
Ford Motor	11⅛	90	100½	10.47	+297
Ford Motor	7⅝	91	93⅝	10.58	+244
Ford Motor	8	91	95¼	10.55	+260
Ford Motor Cre	8⅝	91	96⅝	10.59	+258
Ford Motor	10½	91	99⅞	10.50	+238
Ford Motor	12⅞	91	104	10.86	-147
Ford Motor	11¾	92	103¼	10.44	+222
Ford Motor	10½	93	99¼	10.54	+252
Ford Motor	12	95	103⅝	11.16	+249
Ford Motor	11	96	103⅝	10.26	+154
G E C A	9½	92	97¼	10.40	+211
G E C	8	93	92⅝	10.35	+203
G E C	8¼	93	95⅝	9.51	+117
G E C	8¾	93	95⅛	10.32	+201
G E C C	7¾	91	95⅛	10.52	+257
General Re	11½	92	101½	10.89	+329
GMAC	8	89	99	10.44	+330
GMAC	8¼	89	99¼	10.91	+387
GMAC	10¼	89	99⅝	11.01	+405
GMAC	7	90	96½	10.98	+337
GMAC	8¼	90	96⅞	18.92	+312
GMAC	7⅝	91	93⅝	10.58	+251
GMAC	8⅛	91	96⅝	10.65	+272
GMAC	8⅝	91	97⅛	10.63	+270
GMAC	10	91	99⅝	10.35	+221
GMAC	7¾	92	92⅛	10.51	+231
GMAC	10	92	98½	10.49	+223
GMAC	10¼	92	99	10.56	+228
GMAC	8½	93	93⅞	10.35	+199
GMAC	9¾	93	98½	10.22	+193
GMAC	8	94	91	10.28	+172
GMAC	9⅛	96	94⅝	10.19	+146
Household F	8½	90	96½	11.48	+368
I B M	12¼	92	101⅝	11.50	+329
I B M	7⅝	93	91¼	10.07	+164
I B M	10¼	95	100	10.22	+151
I B M Apr	6¼	90	96¼	11.03	+342
I B M Mar	6⅛	90	96½	10.95	+340
I B M Credit	7¾	91	95½	10.40	+243
Internatl Fin	8¼	93	93⅝	10.44	+212
Kellogg Co	10⅝	90	100	10.54	n.a.
Liberty Mut	8½	96	92¼	10.04	+129
Lockheed	7¼	89	98½	10.71	+354
Merrill Lyn	8⅝	89	98¾	11.03	+383
Metlife	7¾	96	87⅝	10.18	+141
Mony Fund	8¼	96	90¼	10.14	+137
Mony Fund	8⅛	97	89	10.20	+141
Morgan Gty	12¼	89	100	11.10	+418
Morgan Gty	12⅝	89	100½	10.59	+325
Morgan Gty	7	90	97	10.56	+301
Morgan Gty	7¼	91	92⅞	10.48	+234
Morgan J P	10⅞	92	100	10.33	+205
Morgan J P	11¼	92	101¾	10.49	+222
New England	11⅜	95	104⅝	10.59	+229
O C C H	8½	93	94	10.43	+211
Pepsico	7¼	91	92⅝	10.46	+231
Pepsico	8⅝	91	96¼	10.58	+262
Pepsico	7⅝	93	90½	10.34	+200
Pepsico Inc	8	93	92⅝	10.46	+214
Philip Mrls	9½	89	98½	11.50	+412
Philip Mrls	7½	91	92⅝	10.78	+265
Philip Mrls	10	95	98½	10.30	+158
Philip Mrls	9⅝	98	97⅝	10.35	+151
Pillsbury	10¼	93	98	10.80	+239
Proct & Gamble	9⅝	92	98¼	10.44	+215
Proct & Gam	10	95	98⅝	10.26	+157
Proct & Gam	9½	98	96	10.20	+135
Proct & Gam	9⅝	01	96½	10.14	+119
Prudential	7¾	91	94⅛	10.45	+241
Prudential	8	93	92⅝	10.15	+173
Prudential	10⅝	93	101½	10.15	+182
Prudential	8¾	94	95	10.00	+144
Prudential	12½	95	105⅝	10.68	+228
Rockwell	9⅝	90	98⅝	10.91	+312
Sears	11⅛	91	101½	10.60	+266
Sears	11⅛	93	102¼	10.50	+208
Sears Roeb	8½	90	97	10.74	+290
Smithkline	8¼	92	94½	10.75	+250
Utd Technol	11¼	92	101⅛	10.49	+229
Utd Technol	7⅝	93	89⅜	10.54	+221
Utd Technol	10⅛	95	100½	10.49	+240
Warner Lamb	8¼	96	89¾	10.24	+150
Xerox	8⅝	91	96¼	10.55	+260
Western Europe (Other)					
Austr Contr	10⅝	90	100½	10.20	+244
Austr Contr	10	91	99⅝	10.21	+224
Austr Control	9⅝	92	96⅝	10.15	+187
Austria	8½	90	97½	10.17	+229
Austria	9	92	96	10.39	+213
Austria	13⅝	92	107⅝	10.57	+233
Austria	11¼	95	105¼	9.99	+133
Austria	7⅜	97	87⅝	10.05	+127
Austrian Contr	8⅛	93	93⅛	10.21	+188
Banco Di Roma	9⅝	93	94	n.a.	
Belgium	8½	93	94¼	10.36	+205
Deut Bank	8	98	88⅝	9.89	+103
Ferrovie Dello	8½	93	94¼	10.32	+199
Fiat Fin Trade	8½	91	96	10.61	+259
Hoechst Tr A	7⅜	92	93	10.24	+203
Hoechst Tr B	7⅞	94	91½	10.14	+164
Hoechst Tr C	8¼	97	91	9.94	+114
Mercedes-Benz	8¼	92	95	10.12	+198
Mercedes	7¼	93	89½	10.16	+171
Mercedes	7½	93	90⅝	10.22	+184
Mercedes Benz	8½	95	93	10.13	+146
Netherlands	6⅝	98	97½	6.64	n.a.
Portugal	8¼	91	96	10.63	+267
SBC Finance	7¾	90	97½	10.41	+268
Shell Oil	9½	90	98¼	10.65	+278
Unilever	9⅝	92	108	9.84	+156
Unilever	8⅝	98	94	9.91	+106

Dollar Zero Coupons

Issuer	Mat	Price	Yld Mat	Spd Trsy
A D B	04	24½	9.58	+52
A I G	04	24¾	9.53	+47
A R C O Fin	92	75¾	10.41	+222
Amex	00	34	9.49	+75
Austria Rep	95	56⅛	9.67	+98
Baker Feb25	92	73½	11.35	+316
Beatrice	92	71¼	12.78	+459
Benefic Feb10	90	91	11.95	+447
Bk of Tokyo	91	80	11.04	+304
Bond Brewing	91	83	11.09	+317
BP Capital	95	55½	9.99	+131
Bq Indosuez	92	73½	11.36	+317
Campbell	93	74⅛	10.86	+185
Caterpillar	92	71¼	10.73	+248
Caterpillar	94	61⅛	10.65	+217
Centrust	10	14¼	9.80	+71
Connect Mtl	00	33	10.21	+128
Crocker	92	74	11.10	+290
Denmark	91	77⅝	10.23	+210
Denmark	98	42¼	9.49	+83
Du Pont Overs	90	91½	11.19	+370
E D F	94	60¼	9.82	+123
Exportfin	94	59⅝	9.92	+131
Exxon Cap	04	25½	9.16	+10
F N M A Bear	14	9½	9.78	+71
Fiat	91	80	11.29	+330
Firstfed	05	22⅝	9.90	+82
Florida Fed	95	54⅛	10.28	+159
Fluor Fin	90	89	12.85	+526
G D F	92	75⅛	10.20	+201
G D F	94	62	10.29	+180
G E C Feb 17	92	76½	9.93	+169
G E C Intl	93	69⅛	9.93	+163
G E C Intl	94	62⅝	9.96	+147
G E C Intl	95	57⅝	9.85	+119
G E C Intl	96	50¼	9.82	+107
Genl Mills	04	23	10.06	+100
Genl Mills	13	10⅝	9.54	+46
GMAC Ov Feb03	92	76	10.20	+210
GMAC Ov Oct01	92	71⅝	10.23	+196
GMAC Overs	90	91½	11.23	+374
Gulf Oil	92	75½	10.43	+223
Hewlett Pac	91	84⅛	10.40	+250
I A D B	92	68	11.07	+279
I F F	93	66½	10.71	+228
Indust Kred Bk	91	80	11.29	+330
Marubeni	95	52½	10.85	+217
Mutual Ben	06	20½	9.89	+79
N I B	94	60	9.91	+131
New England	99	37¼	10.45	+158
Penney Jc	94	61½	10.56	+208
Pepsico	92	75¾	10.44	+226
Pepsico	94	61⅜	10.42	+193
Philip Morris	94	60	10.43	+187
Prudential	99	40⅛	9.68	+80
R J Reynolds	92	71¾	12.37	+417
S E K Mar	94	62⅝	9.92	+143
S E K Sep	94	60	9.91	+131
SBC Fin	97	45½	9.67	+78
Sears	92	74¼	10.77	+258
Sears May27	94	59⅛	10.63	+209
Sears Jul	98	39⅛	10.53	+167
Siemens W Ew	01	32¾	9.60	+64
Sumitomo	91	91	11.09	+312
Suntory	93	64	11.39	+304
Transam Fin Co	89	92¼	12.17	+479
Transam	91	77	11.58	+350
Xerox Credit	92	75⅛	10.65	+247

DM Straights

Issuer	Cpn	Mat	Price	Yld Mat	Cur Yld
European					
Amro Bank	5⅝	94	96.25	6.66	5.97
Asfinag	6⅝	95	100.25	6.69	6.73
Audi Fin Nv	7⅜	94	103.00	6.62	7.16
Austr Control	7⅜	89	101.50	3.91	7.27
Austr Control	8⅞	89	101.00	5.82	8.79
Austr Contr Pp	6⅛	91	98.50	7.01	6.22
Austr Control	7⅝	91	101.80	6.99	7.55
Austr Control	5	92	98.05	5.67	5.10
Austr Contr Pp	5½	92	96.50	6.78	5.70
Austr Control	6	94	96.25	6.65	6.23
Austr Control	6⅝	97	99.70	6.79	6.77
Austria	7⅜	89	99.75	8.32	7.64
Austria	5⅝	90	98.80	6.56	5.82
Austria	7	92	101.70	6.30	6.88
Austria	8⅜	92	101.35	7.86	8.26
Austria	8	93	104.55	6.71	7.65
Austria	7⅜	94	103.75	6.70	7.25
Austria	5⅞	97	95.55	6.61	6.15
Austria	6	98	95.55	6.67	6.28
Austria	6⅛	02	96.95	6.61	6.45
B F C E	9¼	89	99.75	9.45	9.27
B F C E	8¼	90	101.75	6.66	8.11
B F C E	6½	95	99.15	6.66	6.56
B F C E	6⅛	97	95.45	6.86	6.40
B M W	5¼	96	91.35	6.84	5.75
B N P	7¾	90	100.75	6.85	7.69
Bank of Greece	5⅝	92	96.55	6.98	5.96
Bank of Greece	6⅜	94	100.00	6.74	6.75
Bank of Greece	6½	95	97.05	7.10	6.70
Barclays	8⅛	98	104.25	7.47	7.79
Beecham	7⅛	94	101.95	6.93	7.23
Bhf-Fin.	6⅜	91	100.00	6.35	6.37
Bq Indosuez	7¾	90	101.00	6.50	7.67
Btr	7⅜	94	101.25	7.09	7.28
C C F	6⅞	94	99.70	6.44	6.39
C E P M E	8	91	102.50	6.65	7.80
C E P M E	7¼	97	102.00	4.90	7.11
C N A	8⅛	94	103.40	7.21	7.86
C N E Jan	8	93	104.25	6.65	7.67
C N T	7⅛	93	102.00	7.12	7.60
C N T	6⅜	96	98.50	6.65	6.47
Commerzbank	5½	92	97.90	6.33	5.62
Commerzbank	5¾	93	97.25	6.47	5.91
Commerzbank	6½	93	100.90	6.22	6.44
Copenhagen	6	90	100.50	5.63	5.97
Copenhagen	8½	94	101.75	8.03	8.35
Copenhagen	7⅛	95	101.00	7.15	7.30
Coptel	8⅝	93	106.00	7.04	8.25
Cr Foncier	8¼	90	102.05	6.45	8.08
Cr Foncier	7⅜	92	100.95	7.38	7.68
Cr Foncier	8¼	92	102.25	7.88	8.56
Credit Natl	8⅛	94	105.75	6.69	7.68
Daimler Benz	5⅝	01	91.25	6.83	6.30
Danish Export	6	91	99.25	6.31	6.05
Degussa	7½	94	102.25	6.92	7.33
Degussa Intl.	6⅛	97	95.00	6.94	6.45
Den Danske Bk	5¾	93	96.50	6.79	5.96
Denmark	7⅛	89	99.75	7.18	7.38
Denmark	7⅛	89	99.75	49.71	7.64
Denmark Oct	5⅝	91	99.45	6.10	5.91
Denmark	10⅛	92	109.75	6.31	9.22
Denmark	6¼	93	99.85	6.28	6.26
Denmark	8	93	104.75	6.62	7.64
Denmark	7⅞	94	104.25	6.84	7.55
Denmark Mtg Bk	7⅜	95	103.00	7.00	7.40
Deut Bank	6	91	100.75	5.66	5.96
Deutsche Bank	5½	92	98.90	5.93	5.56
Deutsche Bk	6	92	100.00	5.99	6.00
Deutsche Bk	5½	93	97.25	6.31	5.66
Deutsche Bank	6¼	93	100.40	6.16	6.23
Deutsche Bk	5⅝	96	93.75	6.76	6.00
Dresdner Fin.	4½	92	95.80	6.17	4.70
E D F	8⅜	93	103.10	7.51	8.12
E D F	6⅜	96	97.50	6.56	6.28
E D F	5¾	97	93.85	6.75	6.13
Elsam	6⅜	93	100.25	6.67	6.73
Finland	7½	91	101.75	6.52	7.37
Hammerson	6	92	99.80	6.39	6.06
Heraeus	6⅛	96	98.90	6.43	6.32
Hoesch	7	95	101.00	6.80	6.93
Hoesch Int.Fin	6⅛	94	97.80	6.82	6.31
Hoogovens	6	92	98.95	6.40	6.06
Hoogovens	6⅛	93	97.50	6.81	6.28
Hoogovens	7⅜	95	102.65	6.83	7.18
Ibm Pp	7⅜	92	100.25	7.76	7.72
Ici Intl	6½	92	100.00	6.49	6.50
Ireland	8⅞	91	104.00	6.32	8.53
Ireland	8	94	104.95	6.87	7.62
Jydsk Tel	6⅝	95	99.50	6.84	6.78
Lonrho Intl	7¼	92	101.50	6.74	7.14
Lufthansa	6	96	97.15	6.51	6.18
Lufthansa	6¼	16	91.60	6.94	6.82
Michelin	7¾	90	101.50	6.08	7.64
Midland Bk.	6½	96	97.75	6.89	6.65
Nat Bk Hungary	7⅜	93	103.00	6.82	7.52
Nat Bk Hungary	6⅝	96	98.50	7.13	6.98
Neste Oy	6½	92	99.00	6.81	6.57
Norpipe	6	89	98.75	8.11	6.08
Norsk Hydro	6⅝	89	99.55	9.60	6.78
Norsk Hydro	9	92	99.35	9.20	9.06
O E L E G	6½	95	99.75	6.54	6.52
Oest Ind Ver	7	95	101.15	6.76	6.92
Oslo	7¾	93	101.75	7.21	7.62
Pk Banken	5⅝	96	93.25	6.99	6.17
Portugal	7¾	92	104.35	6.15	7.43
Prudential Fin	6	97	95.35	6.76	6.29
Rabobank	7⅜	94	103.10	6.91	7.40
Rank Xerox	7⅛	93	102.75	6.48	7.30
Renault	8	90	101.50	6.55	7.88
S C N	8	91	101.10	7.42	7.91
S C N	7⅛	94	101.15	7.10	7.29
S C N	7	95	100.55	6.88	6.96
S C N	7¼	95	101.08	7.04	7.18
S D R	7⅜	93	101.75	7.36	7.74
S K F	7⅜	89	99.65	14.05	7.40
S N C F	8⅜	92	103.25	7.48	8.35
S N C F	7⅞	93	103.15	6.91	7.63
S N C F	8⅛	93	104.75	6.88	7.76
Statoil	5⅝	93	96.75	6.58	5.81
Statoil	6¼	97	96.00	6.92	6.51
Siewcos	5½	96	93.25	6.73	5.90
Supertos	7	95	100.55	6.88	6.96
Sweden	7⅜	94	101.65	7.47	7.75
Sweden	7¼	95	101.90	6.83	7.11
Sweden	6½	98	95.60	6.80	6.81
TauernautobahN	9⅝	94	108.25	7.77	9.12
Thyssen	6⅜	95	100.40	6.46	6.72
Volkswagen	7⅜	93	101.35	6.83	7.15
West Lb	5⅛	98	92.60	6.86	6.21
Westl./Utrecht	6	97	94.75	6.88	6.33
Non-European					
Air Canada	9	92	105.25	7.16	8.55
Air Canada	7⅜	93	101.75	6.87	7.25
Amca	7⅝	92	100.50	7.20	7.34
Arab Banking	5½	92	95.65	7.06	5.75
Archer Daniels	6	97	93.25	7.12	6.43
Australia P/P	5⅝	90	98.75	7.22	5.82
Australia P/P	5¼	91	96.65	6.75	5.43
Australia 1Ser	9⅜	91	106.75	5.40	8.78
Australia 2Ser	9⅜	91	104.50	7.42	8.97
Australia	7¾	92	102.65	6.54	7.48
Australia	6⅝	93	102.00	6.24	6.74
Australia	6⅜	96	99.40	6.76	6.29
Australia	7⅛	96	102.35	6.66	7.01
Bk America	5⅛	90	99.05	6.38	5.81
Bk Nova Scotia	5⅝	95	92.75	6.96	6.06
Black & Decker	5⅝	94	95.00	6.98	6.05
C P C Finance	6⅝	01	95.55	7.32	7.06
Canada	8½	89	99.75	13.28	8.52
Cb of Turkey	6⅜	92	99.85	6.93	6.89
Chrysler	6⅜	96	98.45	7.04	6.86
Chrysler	6⅜	97	98.45	7.19	6.85
Citicorp	6⅛	96	96.75	6.94	6.59
Dai-Ichi	6½	96	97.56	6.96	6.66
Dow Chemical	6⅝	95	99.75	6.79	6.77
Dow Chemical	5⅝	96	92.48	6.99	6.07
E D C	6⅛	90	100.00	6.83	6.87
Emhart	6⅜	95	94.80	7.54	7.03
Ford Motor Ex	5⅜	92	98.25	6.42	5.85
Ford Motor	7	95	99.50	7.09	7.04
Fuji	7⅛	92	102.75	6.65	7.54
Genl Motors Co	5⅝	94	93.45	6.94	6.15
Gillette Fin.	6	94	94.65	6.78	6.21
Gould Intl	7⅝	91	100.45	7.37	7.59
Honeywell Inv.	6¼	97	96.00	6.92	6.51
Ind Bk Japan	5⅝	96	97.35	6.10	5.78
Itt	7	93	100.45	6.79	6.95
J F M	7⅜	91	100.55	7.32	7.58
Jap Dev Bk	7½	93	100.15	7.33	7.49
Jap Fin Corp	6⅝	92	100.65	6.16	6.33
Kobe City	7⅛	89	99.65	7.58	7.15
Kobe City	8	90	101.70	n.a.	7.87
Kobe City	7	93	99.75	7.06	7.02
Kubota	7⅜	90	100.25	7.11	7.36
Malaysia	7½	95	102.75	6.93	7.30
Manitoba	7⅜	93	102.75	6.58	7.18
Manitoba	7⅝	94	105.00	6.50	7.26
Manitoba	6⅜	95	100.00	6.37	6.37
Manitoba	5⅞	96	95.00	6.74	6.18
Mcdermott	6½	91	99.50	6.73	6.53
Mcdonalds Dec	7⅛	92	101.75	6.56	7.00
Mcdonalds Fin	7¾	94	102.75	7.09	7.54
Montreal	5⅝	98	93.25	6.90	6.30
Mount Isa	7⅜	92	100.75	7.46	7.69
N C B	7¼	91	103.45	5.39	7.01
N T T	6⅛	97	96.95	6.63	6.32
New Zealand	9⅜	89	101.25	7.38	9.63
New Zeala Apr	7¼	91	100.40	7.03	7.22
New Zeala Oct	7¼	91	100.40	7.04	7.22
Nippon Steel	6⅜	89	99.85	6.80	6.76
Occidental	6⅛	90	99.10	7.32	6.81
Owens Corning	7¼	00	99.75	7.27	7.27
Pepsico	7¼	94	101.00	6.99	7.18
Pillsbury	6⅝	92	99.40	6.80	6.66
Quebec Hydro-E	10⅛	91	107.45	7.02	9.54
Quebec Hydro-E	8	93	104.15	6.73	7.68
Quebec Hydro	7¾	94	104.55	6.66	7.41
Quebec Hydro	7⅝	95	102.50	6.61	6.95
Quebec Hydro	5⅝	96	92.50	6.88	5.95
Quebec Hydro	6	16	86.80	7.19	6.98
Quebec Prov	7½	91	102.40	6.19	7.32
Quebec Prov	10⅛	91	108.25	6.84	9.93
Quebec Prov	7⅝	95	103.65	6.84	7.36
Quebec Prov	6	97	95.45	6.76	6.29
Quebec Prov	6½	98	98.58	6.73	6.60
Reynolds	7⅜	94	100.05	7.35	7.37
Reynolds Ind	6⅞	00	87.25	8.65	7.88
Royal Bk Cda	7⅜	90	99.35	8.24	7.80
Royal Ins.	5½	92	97.75	6.35	5.63
Sperry Corp	8	94	101.00	7.75	7.92
Sterling Drug	7¼	94	93.00	9.08	7.80
Sumitomo Fin	7⅜	90	100.50	7.36	7.71
Sumitomo Fin.	8	91	103.00	6.53	7.77
Tenneco	6⅝	95	99.35	6.99	6.92
Tokyo Elec.	6	97	95.75	6.71	6.27
Union Oil of C	6⅛	98	92.25	7.32	6.64
Utc	7¼	91	100.75	6.89	7.20
Westpac	5⅞	96	93.75	7.03	6.27
Supranational					
A D B	10⅛	89	101.50	7.25	10.59
A D B	7⅜	91	102.25	6.46	7.58
A D B	8¼	92	104.80	6.93	7.93
A D B Apr	9⅛	92	105.75	7.06	8.75
A D B Aug	9¼	92	106.35	7.02	8.70
A D B	8½	93	105.75	6.96	8.04
A D B	7¾	94	103.50	6.89	7.49
A D B	8	94	104.50	6.96	7.66
A D B	6½	95	99.65	6.56	6.52
A D B	6⅛	96	95.50	6.91	6.41
A D B Apr	7¼	97	104.95	6.92	7.38
African Dev Bk	6¼	96	96.25	6.93	6.49
Council Europe	8	92	102.08	7.27	7.84
Council Europe	8¾	92	101.65	8.12	8.61
Council Europe	7⅝	92	102.25	7.17	7.70
Council Europe	8¼	93	101.75	7.76	8.11
Council Europe	8⅜	93	102.00	7.78	8.21
Council Eur.Ex	5⅝	94	99.60	5.97	5.90
Council Europe	6⅛	94	98.50	6.47	6.22
Council Europe	7⅛	94	101.50	7.16	7.39
Council Europe	8¼	94	104.35	7.15	7.91
Council Europe	6⅝	95	99.50	6.71	6.66
Council Europe	7½	95	102.60	6.96	7.31
E C S	8	90	101.50	6.71	7.88
E C S	7	92	101.25	6.59	6.91
E C S Jan	7½	93	101.10	7.14	7.42
E C S May	7½	93	101.40	7.09	7.40
E C S	9⅝	94	105.75	8.23	9.22
E C S	7	95	100.40	6.91	6.97
E C S	6⅞	97	100.75	6.75	6.82
E E C	8	92	103.60	6.53	7.72
E E C	5⅝	93	97.25	6.22	5.53
E E C Jun	8¼	93	102.50	7.52	8.85
E E C	10⅝	93	103.75	9.05	9.76
E E C	8	94	102.75	7.37	7.79
E E C	7¾	95	101.60	7.29	7.63
E E C	7½	96	102.75	7.01	7.30
E E C	6½	97	98.65	6.71	6.59
E I B	6	89	99.50	7.37	6.03
E I B	7½	89	99.70	9.16	7.52
E I B	5¼	90	99.75	5.52	5.26
E I B	6	90	99.45	6.37	6.03
E I B	6½	91	100.85	5.94	6.45
E I B	8	91	103.65	6.42	7.72
E I B 1Ser	8¼	92	101.60	7.68	8.12
E I B 2Ser	8¼	92	101.75	7.66	8.11
E I B May	8⅜	92	101.90	7.65	8.22
E I B Aug	9⅜	92	102.75	8.36	9.12
E I B Feb23	7½	93	101.85	6.93	7.36
E I B May01	7½	93	101.85	6.96	7.36
E I B Mar	7¾	93	102.00	7.13	7.60
E I B	8	93	102.70	7.23	7.79
E I B Sep	8¼	93	102.65	7.50	8.04
E I B	7⅜	94	102.35	6.73	7.08
E I B	7¾	94	103.10	7.15	7.64
E I B 1Ser	8	94	102.75	7.30	7.79
E I B 2Ser	8	94	102.90	7.29	7.77
E I B	8¼	94	103.50	7.41	7.97
E I B	6⅛	95	97.45	6.63	6.29
E I B Nov	6⅝	95	101.15	6.44	6.80
E I B	5⅝	96	93.95	6.74	5.99
E I B	6⅛	96	97.15	6.63	6.30
E I B	6½	96	98.75	6.60	6.46
E I B	6	97	95.40	6.77	6.29
E I B	6⅛	97	95.85	6.83	6.39
E I B 2.Apr	6⅝	97	96.00	6.79	6.38
E I B	6⅝	97	97.35	6.85	6.79
E I B May	7⅝	97	103.10	6.86	7.15
E I B	5½	98	91.15	6.84	6.03
E I B	6	16	87.50	n.a.	6.86
Euratom	7⅛	93	100.85	7.12	7.31
Eurofima	7⅛	90	102.00	5.77	7.25
Eurofima	7½	91	100.75	7.04	7.44
Eurofima	7¼	92	101.25	7.29	7.65
Eurofima	9	92	101.25	8.51	8.89
Eurofima Bear	2	94	146.75	n.a.	1.36
Eurofima Bull	2	94	48.50	19.57	4.12
Eurofima	7⅝	94	102.75	6.94	7.42
Eurofima	6¼	96	97.75	6.65	6.39
Eurofima	6⅜	97	97.70	6.73	6.53
I A D B	9⅝	89	99.75	10.06	9.77
I A D B	7¼	91	102.25	6.49	7.58
I A D B May	7⅛	92	101.45	6.64	7.02
I A D B	8¼	92	104.60	6.63	7.89
I A D B	9	92	105.25	7.00	8.55
I A D B	7⅛	93	103.85	6.61	7.46
I A D B	8	93	104.25	6.72	7.67
I A D B Aug	8¼	93	104.80	6.91	7.87
I A D B Dec	8¼	93	104.75	7.00	7.88
I A D B Jan	8¼	93	103.85	7.02	7.94
I A D B	7½	94	102.95	6.84	7.29
I A D B Pp	7⅜	95	101.00	6.92	7.05
I A D B Jul	7⅛	95	101.95	6.85	7.11
I A D B Aug	6¼	96	97.25	6.73	6.43
I A D B	6	97	94.70	6.87	6.34
I A D B	6	01	94.20	6.72	6.37
Itc	6⅛	92	99.75	n.a.	6.64
World Bk	7⅜	89	99.85	7.83	7.89
World Bk	5¾	90	99.85	5.84	5.76
World Bk	7½	90	100.75	6.76	7.44
World Bk	7⅞	90	101.15	6.82	7.79
World Bk Aug	8	90	101.65	6.59	7.87
World Bk	10	90	103.35	6.57	9.68
World Bk Pp	6	91	99.25	6.42	6.05
World Bk Pp	7⅞	91	100.85	6.67	7.86
World Bk	7¾	91	102.25	6.40	7.21
World Bk	7¾	91	102.35	6.55	7.57
World Bk	9¼	91	104.25	6.51	8.87
World Bk	10	91	106.40	7.21	9.40
World Bk	10½	91	108.75	6.26	9.66
World Bk Pp	5⅝	92	97.45	6.35	5.52
World Bk Pp	6⅝	92	99.50	6.56	6.41
World Bk Pp	6⅝	92	100.00	6.36	6.37
World Bk Pp	7¼	92	101.75	6.59	7.13
World Bk	7⅝	92	103.05	6.60	7.52
World Bk	8⅝	92	103.95	6.70	7.82
World Bk	8	92	104.65	6.74	7.88
World Bk May	8½	92	105.05	6.61	8.09
World Bk	9	92	104.25	6.84	8.47
World Bk	9½	92	108.50	6.53	8.76
World Bk	5⅝	93	94.75	6.67	5.94
World Bk	7¼	93	102.55	6.46	7.07
World Bk	7½	93	102.55	6.75	7.31
World Bk Dec	8	93	104.50	6.82	7.66
World Bk Nov	7⅞	94	103.60	6.81	7.36
World Bk	8¼	94	105.65	6.82	7.69
World Bk	6½	95	100.45	6.40	6.47
World Bk Jan	7⅛	95	102.45	6.59	6.95
World Bk	7¼	95	102.75	6.65	7.06
World Bk	7⅜	95	104.65	6.77	7.41
World Bk	5¾	96	95.00	6.67	6.05
World Bk	6	96	96.45	6.63	6.22
World Bk	5⅞	97	94.80	6.75	6.20
World Bk	6¼	97	101.95	5.94	6.13
World Bk Mar	6¼	16	92.10	6.90	6.79

DM Zero Coupons

Issuer	Mat	Price	Yld Mat
Austria	95	136.50	n.a.
Austria	00	140.35	n.a.
Austria	16	150.25	n.a.
Commerzbk	95	69.10	6.24
Commerzbank	00	47.10	6.89
Euro Dm Sec C	96	64.20	6.55
Euro Dm Sec A	01	42.75	7.39
Euro Dm Sec B	06	28.60	7.65
Euro Dm Sec D	06	28.45	7.68
Euro Dm Sec D	21	9.05	7.80
Euro-Dm A	06	28.45	7.71
Euro-Dm C	06	28.80	7.60
Euro-Dm A	11	19.25	7.81
Euro-Dm D	11	19.55	7.71
Euro-Dm	16	13.70	n.a.
Euro-Dm B	16	13.45	7.72
Euro-Dm C	16	13.45	7.66
Euro-Dm D	26	6.40	7.63
Federal Sec.	07	25.75	7.56
Intercontl	00	46.50	7.05
World Bk	15	16.97	6.87

ECU Straights

Issuer	Cpn	Mat	Price	Yld Mat	Cur Yld
Aerospatiale	7⅜	92	98⅝	9.05	7.89
All Nippon Air	9	95	99¼	9.17	9.07
Austria	7⅜	93	96¼	8.53	7.66
B F C E	9¼	92	101¼	8.97	9.58
B F C E	8⅝	93	99⅛	8.84	8.70
B F C E	9⅞	95	102¼	9.34	9.66
B F C E	7⅝	96	94⅛	8.79	8.10
Bco Naz Del La	7⅝	94	93⅝	9.13	8.10
Bco Di Roma	8¼	93	96¼	9.37	8.57
Bk of Tokyo	8⅛	92	97⅛	9.09	8.37
BP Capital	7¾	93	96¼	8.90	8.04
C C C E	7½	92	96⅞	8.82	7.75
C C F	9¼	95	100⅜	9.15	9.22
C N A	7⅜	95	94½	8.57	7.80
C N T Tro B	9⅝	95	102½	9.31	9.43
Coralli	8⅝	95	95⅞	9.14	9.00
Colgate-Palmol	8	91	98⅝	8.94	8.13
Cr Foncier	7⅝	94	95⅜	8.83	8.00
Cr Lyonnais	6⅝	92	94⅝	8.62	6.75
Credit Local	7½	91	97⅝	9.04	7.78
Credit Locl Fr	7½	93	95⅛	8.86	7.85
Credit Natl	7⅜	90	98⅞	8.66	7.46
Credit Natl	8⅞	95	98½	9.19	9.01
Credit Suisse	7¼	93	95	8.70	7.63
Creditanstalt	8⅝	94	97⅛	8.88	8.89
Dai-Ichi	7⅞	97	93½	9.06	8.42
Denmark	7⅜	92	96¼	9.11	8.01
Denmark	7½	94	96⅛	8.76	8.15
Denmark	7⅝	96	93½	8.91	8.16
Deutsche Bank	7¼	93	98⅛	8.09	7.84
E C S C	8	97	96¼	8.65	8.30
E D C	6⅝	96	87¼	8.83	7.26
E D F	9¼	95	102	9.29	9.56
E D F	9	97	101	8.81	8.91
E D F	7⅛	98	90⅛	8.66	7.88
E E C	7¼	91	98	8.23	7.53
E E C	7½	92	97	8.71	7.73
E E C	8⅝	93	100⅛	8.82	8.66
E E C	7⅜	94	94½	8.72	7.80
E E C	7⅜	94	96⅛	8.62	7.93
E I B	7¼	91	99⅛	7.72	7.44
E I B	8¼	93	99⅝	8.75	8.66
E I B	7⅝	94	96⅝	8.56	7.91
E I B	8⅛	94	96⅝	8.97	8.43
E I B	10⅛	94	103⅝	9.19	9.79
E I B	9⅝	95	102⅜	9.19	9.51
E I B	8	96	97⅛	8.51	8.22
E I B	8⅜	97	98	8.70	8.55
Elf Aquitaine	8⅜	88	100	n.a.	8.37
Euratom	7⅜	96	93¼	8.85	7.99
Euratom	7⅜	97	91⅛	8.92	8.07
Eurofima Oct	8⅝	92	99½	8.27	8.72
Eurofima	7⅜	94	95½	8.80	7.98
Eurofima	7⅝	95	97¼	8.23	7.84
Eurofima	7⅜	97	92⅝	8.70	7.96
Fiat Fin Trade	8¼	90	99¼	9.53	8.82
Fiat Fin Trade	8	91	97⅞	9.05	8.17
Finnish Export	7⅜	92	96⅝	8.72	7.62
Ford Canada	8⅝	93	99⅛	9.09	8.95
G Z B	7	93	92¼	9.00	7.55
Gillette	7½	93	94½	9.10	7.94
GMAC	7½	89	95½	n.a.	
I A D B	10	93	102⅝	9.18	9.74
I B M	8⅛	90	98⅝	9.23	8.35
Italy		96	59	7.75	
K B Ifima	7½	91	96⅝	9.31	7.74
Kemira Oy	8	92	96⅞	9.14	8.26
Megal Finance	10⅛	95	102⅝	9.50	9.85
Merrill Lynch	7	90	96⅝	9.13	7.24
Merrill Lynch	7⅜	90	98⅛	9.35	7.51
Moet-Hennessy	9	91	99⅝	9.20	9.03
Morgan Gty	8½	90	99	9.23	8.59
Motorola	8⅝	92	98⅝	9.86	8.73
N S Wales Trsy	7½	90	97⅛	9.30	7.70
N S Wales Trsy	8⅝	93	99⅝	9.14	8.95
Ned Gasuine	7½	94	94	9.07	7.98
Nerso	9	95	98⅝	9.32	9.15
New Zealand	9¼	90	99⅝	9.32	9.26
New Zealand	9½	92	100¼	9.38	9.48
New Zealand	7¾	93	97	8.48	7.99
Nissan Motors	7½	96	91⅛	9.22	8.23
O L B Ew	9	89	99⅝	9.80	9.01
Oslo	7⅝	96	95	8.66	8.16
Parbel Fin	8⅝	89	99⅛	9.92	8.66
Pechiney	10	90	100½	9.23	9.94
Pepsico	7⅛	90	98½	8.72	7.74
Peugeot	9¼	90	99⅝	9.44	9.28
Philip Morris	7¼	89	98½	9.38	7.36
Philips Intl	9	93	98⅝	9.33	9.10
Pirelli Fin	7½	91	97½	8.87	7.69
Portugal	7¾	93	95¼	9.16	8.14
R J Reynolds	8⅝	91	97½	9.78	8.85
S A S	9	95	98⅝	9.25	9.11
S D R	7¾	95	95¼	8.81	8.14
S E K	7⅜	92	96⅞	8.39	7.61
Sec Pac	8¾	90	99⅛	9.25	8.81
Sumitomo	8⅝	92	98⅝	9.27	8.89
Sumitomo Fin	9	93	99⅛	9.22	9.08
Sumitomo Corp	9¼	93	100⅛	9.19	9.24
Sweden	6½	96	90¼	8.38	7.20
Toyota Motor	8	90	98	9.47	8.16
U B Norway	9	95	98⅛	9.38	9.17
Victoria P A	8⅞	90	99½	9.15	8.92
Vienna	8⅛	94	96⅜	8.97	8.43
Walt Disney	8¼	94	98⅛	9.17	8.89
World Bk	9½	92	101	9.10	9.41
World Bk	8⅝	93	99⅝	8.71	8.66
World Bk	7½	94	94⅞	8.74	7.91
World Bk	8½	95	98⅞	8.71	8.60
World Bk	7¾	97	94¼	8.72	8.19
World Bk	6⅞	01	83⅝	9.16	8.22

Yen Straights

Issuer	Cpn	Mat	Price	Yld Mat	Cur Yld
A I D C	6	96	104⅞	5.17	5.73
Austr Control	5⅞	91	103⅜	5.30	5.70
Australia	5½	91	100⅝	5.18	5.47
Austria	7	95	109⅛	5.19	6.41
Austria A	5⅝	96	102⅛	5.23	5.49
B F C E	5¾	96	102⅝	5.25	5.59
Barclays Overs	6	96	103¼	5.45	5.81
Belgium	4⅜	91	98	5.34	4.46
Belgium 2 M	4⅝	94	97⅝	5.24	4.75
C N C A	5⅛	94	100	5.12	5.12
C N T	4⅜	92	97½	5.26	4.49
C N T	6⅛	92	103⅛	5.24	6.06
C N T	5⅛	94	100	5.12	5.12
Canada	6⅛	91	101¾	5.10	6.02
Canada	4⅜	92	97⅞	5.13	4.47
Canada	5⅝	93	101⅞	5.12	5.52
Coca Cola	5¾	96	102¼	5.36	5.62
Credit Foncier	5¼	94	100⅛	5.22	5.24
Credit Foncier	6½	96	107⅛	5.18	6.05
Credit Natl	5⅛	92	99⅞	5.22	5.14
Denmark Jan	5⅛	92	99⅞	5.20	5.14
Denmark Feb	5⅛	94	99⅞	5.14	5.13
Denmark	6⅜	94	104⅛	5.08	6.48
Dow Chem	7	94	102	6.55	6.86
E C S C	5⅜	91	100¼	5.26	5.36
E D F	5⅜	91	100⅛	5.28	5.70
E D F	4⅝	93	98½	5.29	4.95
E D F	5⅛	94	100	5.12	5.12
E D F	6⅝	95	105⅝	5.20	6.36
E D F	5⅝	96	102⅛	5.21	5.49
E E C	4⅝	92	98⅝	5.22	4.83
E I B	4⅝	92	98½	5.17	4.80
E I B	4⅝	94	97¾	5.14	4.73
E I B	6⅛	96	105½	5.16	5.81
Exportfinans	5	92	99⅝	5.12	5.02
Finland	5⅝	91	100⅝	5.28	5.70
G E C	5⅜	93	101¼	5.39	5.68
Genl Motors Co	5⅜	91	100⅝	5.32	5.70
GMAC	5⅜	91	100⅛	5.30	5.37
I B M	5⅝	91	101	5.19	5.49
Ireland	5⅛	93	99⅝	5.19	5.14
Italy	4¼	91	98	5.14	4.21
Italy	5⅝	92	100⅝	5.18	5.34
Jap Govmt Bond	5⅛	96	101½	4.84	5.02
Kansai Elec	4⅝	94	97⅞	5.22	4.75
M M M	5⅛	91	100¼	5.42	5.71
Morgan J.P	6	94	103	5.27	5.83
N I B	6	91	101⅞	5.24	5.92
N I B	4⅝	92	99	5.25	4.92
N I B	7	92	106	5.16	6.60
N I B	5⅝	95	102⅝	5.20	5.59
New Zealand	5½	91	100⅝	5.23	5.47
New Zealand	4⅝	95	97¼	5.29	4.88
Nippon T&T	5⅝	93	102½	5.14	5.61
Nippon T&T	5⅞	96	104⅛	5.17	5.64
Norway	5⅜	91	100½	5.12	5.35
Norway	4¼	92	97½	5.15	4.36
Proct & Gamble	6	91	101	5.43	5.94
Proct & Gamble	5⅝	93	101⅛	5.45	5.69
S E K	6	91	101½	5.19	5.91
S N C F	4⅝	93	98½	5.30	4.95
Sallie Mae	6⅝	97	103⅛	5.28	6.41
Sweden	5⅝	91	100⅛	5.21	5.35
Sweden	5½	91	100⅝	5.19	5.47
Sweden	4⅝	92	97⅞	5.13	4.47
Sweden	5⅛	94	100½	5.13	5.22
Sweden	5⅝	95	102½	5.15	5.49
Sweden	6	96	105	5.13	5.71
Tokyo Elect P	4⅞	92	99½	5.08	4.90
World Bk Oct	5½	92	101¼	5.10	5.43
World Bk	4⅝	94	98⅛	5.14	4.93
World Bk	6⅝	94	107⅛	5.14	6.18
World Bk	7	94	108⅛	5.13	6.47
World Bk	5⅝	96	104	5.08	5.53
World Bk	6½	96	107½	5.17	6.05

Listing above does not include floating rate notes or convertibles.
Coupon, price and yield are expressed in percent.
For dollar-denominated issues, Spd/Trsy is differential between yield to maturity of bond and yield on U.S. Treasury's issues with the same maturity, expressed in basis points.
Prices and yields are all on a bid basis.
Pp: private placement.
W/w: with warrants.
X/w: ex warrants.

Mutual Funds

Figures as of close of trading Friday

April 7

NEW YORK (AP)— The following quotations, supplied by the National Association of Securities Dealers, Inc., are the prices at which these securities could have been sold (Net Asset Value) or bought (value plus sales charge) Friday.

Fund	Bid	Ask
AAL Mutual:		
CapGr p	9.52	9.99
Inco	9.28	9.74
MuBd p	9.65	10.13
AARP Invst:		
CapGr	28.87	NL
GinlM	14.69	NL
GenBd	14.58	NL
GthInc	22.75	NL
TxFBd	16.29	NL
TxFSh	15.08	NL
ABT Funds:		
Emrg p unavail		
GthIn p unavail		
SecIn p unavail		
Utilin p unavail		
AdsnCa p	15.63	16.11
ADTEK	9.43	NL
AdvntG p	8.93	9.33
AIM Funds:		
Chart p	5.82	6.16
Const p	7.72	8.17
CvYld p	9.75	10.24
HiYld p	8.12	8.52
LimM p	9.67	9.84
Sumit	7.18	
Weing p	10.01	10.59
A M A Funds:		
ClaGt p	9.28	NL
EMT p	12.75	13.39
GlbGt p	21.30	NL
GlbIn p	19.48	NL
GIST p	9.74	NL
GrPI p	19.38	NL
MdTc p	9.88	9.88
USGv p	8.49	NL
AMEV Funds:		
AstAll	10.32	10.81
Capit	13.09	14.31
Fidcur	20.68	21.65
Grwth	16.97	18.55
HiYld	9.65	10.16
Specl	21.03	NL
TF Nat	9.81	10.27
US Gvt	9.40	9.84
AcornF	39.58	39.58
Afuture	18.49	NL
Advest Advant:		
Govt p	8.19	8.19
Gwth p	12.49	12.49
Inco p	10.00	10.00
Speci p	10.43	10.43
AlgrSCo p	13.67	13.67
AlgerG t	11.23	11.23
Alliance Cap:		
Alian p	5.97	6.03
Balan p	13.29	14.06
Canad p	8.31	8.79
Conv p	9.34	9.88
Counl p	16.27	17.22
Divld p	2.70	2.86
Govt p	8.11	8.58
HiYld p	8.02	8.49
Intl p	16.75	17.72
ICalTx	12.00	12.50
InsMu	9.27	9.66
Monin p	11.46	12.13
Mortg p	8.66	9.16
MunCA	9.43	9.82
MuNY	8.71	9.07
NtlMu	9.35	9.74
Quasr	21.01	22.23
Survy p	13.32	14.10
Tech p	19.80	20.95
Alltura Funds:		
Grwth unavail		
Income unavail		
Amer Capital:		
Cmstk	14.33	15.66
Corp	6.99	7.34
Entrp	11.39	12.45
Exch	71.15	
FdMg p	12.19	12.80
Fd Am	10.97	11.99
GvSc p	9.76	10.47
Harbr	13.05	14.26
Hi Yld	8.49	9.10
Mun B	18.34	19.25
OTC	7.09	7.75
Pace	23.86	26.08
Provid	4.08	4.40
TEHY p	10.69	11.22
TxE I p	10.72	11.25
Ventr	12.65	13.83
American Funds:		
A Bal p	10.88	11.54
Amcp p	10.75	11.41
AMutl p	18.56	19.69
Bond p	13.15	13.81
CapIB p	23.17	24.58
CapW p	14.55	15.28
Eupac p	26.82	28.46
Fdinv p	15.59	16.54
Govt p	13.22	13.88
Gwth p	19.45	20.64
HI Tr p	13.93	14.62
Inco p	11.96	12.69
IntBd p	13.62	14.30
ICA p	13.78	14.62
NEco p	22.07	23.42
N Per p	10.39	11.02
TxEx p	10.76	11.30
TECA p	13.79	14.48
TEMd p	13.66	14.34
TEVA p	13.98	14.68
Wsh p	13.52	14.34
A GthFd	6.63	7.25
A Herltg	1.09	1.09
A Invst	7.22	7.89
A Inv In	7.56	7.96
Amer Natl Funds:		
Grth	4.45	4.86
Inco	18.68	20.42
Triflex	14.70	15.89
API Tr	12.10	NL
Amway	6.92	7.40
Analyt	12.53	NL
Amsmg	7.31	NL
Aquila Funds:		
Artz	9.55	9.95
Hawai	10.63	11.07
Oreg	9.65	10.05
TFCol	9.57	9.97
AscPStk	15.21	15.97
AvonGv	9.51	9.61
Axe Houghton:		
FndB p	8.28	NL
Incom p	5.06	NL
Stock p	5.98	NL
BB&K	10.49	NL
Babson Group:		
Bond	1.50	NL
Enterp	12.61	NL
Gwth	11.93	NL
Shadw	9.30	NL
TaxFr	8.48	NL
UMB St	13.43	NL
UMB B	10.32	NL
Value	17.72	NL
BairdBl p	12.01	12.74
BairdCa p	15.19	16.12
Bartlett Funds:		
BasVl	12.65	NL
FixedI	9.36	NL
StratIn	.95	NL
Bascom	21.65	21.65
Beac Hill	27.56	NL
Benham Capital:		
CalfL	10.47	NL
CalfIn	8.99	NL
CalfH	8.58	NL
CaTFI	9.94	NL
CPTNT	9.65	NL
GNMA	9.59	NL
Goldin	9.21	NL
NlTFI	9.78	NL
NlTFL	10.68	NL
Tg1990	87.09	NL
Tg1995	56.80	NL
Tg2000	37.51	NL
Tg2005	24.69	NL
Tg2010	17.23	NL
Tg2015	12.79	NL
Berger Group:		
100	19.97	NL
101	12.73	NL
Bernstein Fds:		
GvSh	12.48	NL
ShtDur	12.46	NL
IntDur	12.37	NL
DivMu	12.34	NL
NYMu	12.36	NL
BlgEGv p	9.50	10.13
BlanPr p	7.32	7.32
BlnSGr p	9.92	9.92
Boston Co:		
CaApp p	31.29	NL
GNM p	11.52	NL
MgdI p	11.34	NL
SpGth p	15.50	15.50
BosGrI	13.08	13.08
Brndyw	14.36	NL
Bruce	84.28	84.28
Bull & Bear Gp:		
CaGr p	9.45	NL
EqInc p	11.65	NL
Gold p	13.59	NL
HiYld p	9.81	NL
SpEq p	21.47	NL
TxFr p	17.35	NL
USGv p	13.39	NL
CJL Trst	9.88	10.34
Calmos f	10.43	NL
CalMun p unavail		
CalTrst	11.19	NL
CalUS	9.20	NL
Calvert Group:		
Ariel	24.53	25.68
Equity p	19.11	19.11
GvLtd	14.49	14.78
Inco	15.65	16.38
Social p	25.17	26.35
SocBd	15.22	15.93
SocEq	15.10	15.81
TxF Lt	10.57	10.78
TxF Lg	15.11	15.82
US Gov	13.99	14.64
WshA t	18.70	18.70
Capstone Group:		
EqGrd	9.49	9.96
Fd SW	11.95	12.55
Incom	5.07	5.32
PBHG	10.96	11.51
Trend	12.70	13.33
Carnegie Funds:		
CapG p	17.53	18.36
CapTR	11.58	12.12
Govt p	9.13	9.56
TENHI	9.35	9.79
Cardnl	15.65	17.10
CrdnlGv	8.49	8.91
Cnt Shs	16.72	NL
ChpHY p	11.76	12.35
Chestnut	82.98	NL
CIGNA Funds:		
Agrsv p	11.69	12.31
GvSc p	9.66	10.17
Grth p	12.65	13.32
HiYld p	9.88	10.42
Inco p	7.44	7.83
MunB p	7.59	7.99
Util p	11.28	11.87
Value p	13.96	14.69
Citibank IRA-CIT:		
Balan f	1.84	NL
Equit f	2.05	NL
Incom f	1.76	NL
ShtTr f	1.52	NL
Clipper	41.02	NL
Colonial Funds:		
AGold p	20.11	21.57
CalTE p	6.89	7.23
CpCsh p	44.56	45.47
CCall p	43.43	44.32
Dvadin	7.32	7.85
EqInc	15.53	16.65
Fund	19.33	20.73
GvSec p	10.89	11.68
Grwth	12.57	13.48
HIYld p	7.09	7.44
Incom p	6.52	6.85
IncPls	9.26	9.93
IntEq p	18.11	19.01
MATx p	7.06	7.41
MI TE p	6.59	6.92
MnTE p	6.75	7.09
NYTE p	6.58	6.91
OhTE p	6.76	7.10
Smlln p	13.20	13.86
TXIns p	7.48	7.85
TxEx p	12.90	13.54
US Gv p	7.01	7.36
US Id p	14.60	15.33
VIP pr	10.98	NL
VIP HI	9.74	NL
Co DTE	9.73	10.13
Colombia Funds:		
Fixed p	12.04	12.04
Grth	23.22	NL
Muni r	11.36	NL
Spcl	38.15	NL
Common Sense:		
Govt	10.88	11.59
Grwth	11.42	12.48
Grinc	11.37	12.43
MunB	12.16	12.77
Cwlth AB	1.41	1.52
Cwlth CD	1.97	2.13
Composite Group:		
BdStk p	10.38	10.71
Gwth p	11.58	11.91
InFd p	8.54	8.90
NWPr p	16.71	17.41
TxEx p	7.16	7.46
USGv p	9.59	9.99
Concord Income:		
Conv	9.88	10.57
USGov	6.66	6.94
NitTE	6.97	7.26
Conn Mutual:		
Govt	10.00	10.47
Grwth	12.23	13.05
TotRet	12.23	13.05
Copley	12.53	NL
Counsellors Fd:		
CapAp	10.27	NL
EmGrth	12.76	NL
FIxInc	9.45	NL
IntGvt	9.96	NL
NYMu	9.49	NL
Ctry Cap	15.92	16.41
Cowen t	10.67	10.67
CownOp p	9.69	10.18
Criterion Funds:		
Cmrc p	8.96	9.41
Gvins p	8.38	8.80
InvQl p	8.79	9.23
Lowry p	8.64	9.07
Pilot p	7.63	8.01
QualT p	9.90	10.39
Sunbit p	17.48	18.35
Tech p	18.94	19.88
USGv t	8.19	8.60
Criter Special:		
CvSec t	9.41	9.41
Globl tt	11.23	11.23
HIYld	9.17	9.17
HYTF t	9.17	9.17
CmbridG	10.55	10.55
DR Eqty unavail		
Dean Witter:		
AmVl t	14.16	14.16
CalTF p	11.65	11.65
Convt t	8.96	8.96
DevGr t	9.84	9.84
DvGth t	20.62	20.62
GPlus t	8.73	8.73
HIYld	11.21	11.86
NYTF t	10.87	10.87
NtlRs t	10.27	10.27
Optn t	8.52	8.52
SearT p	11.04	11.04
AdTx p	9.02	9.02
Mngd t	10.04	10.04
Strat	10.18	10.69
TaxEx	10.90	11.35
USGvt t	9.31	9.31
Util t	10.41	10.41
VaIAd t	13.00	13.00
WWInc unavail		
WldW t	15.08	15.08
Delaware Group:		
Decri	17.96	19.63
Decti p	12.37	12.99
Delaw	15.71	17.17
Delcp p	15.04	15.79
Delchl	7.48	8.02
Dlchil p	7.48	7.85
GvtIn p	8.38	8.80
Inves p	9.66	NL
TxFPa	7.69	8.07
TF USI	10.42	10.94
TxFU	11.25	11.81
Trend	9.65	10.55
DIT Funds:		
CaGth p	13.80	NL
Curnt p	9.55	NL
GvtSc p	9.47	NL
OTCG p	28.53	28.53
Destinyl	13.02	
Destll	19.24	
Dimensional Fds:		
Small	7.57	NL
Japan	31.48	NL
UKing unavail		
US Smal unavail		
Fixd	101.26	NL
Govt	101.92	NL
DG Div	22.03	NL
DodCx Bl	33.32	NL
DodCx St	37.20	NL
DblExC	10.12	10.35
DbleTx	11.42	11.90
Drexel Burnham:		
Burnh	20.90	22.00
DS BD t	10.57	10.57
DS Cv t	8.80	8.80
DST E t	10.79	10.79
DS Gv t	9.15	9.15
DS Gr t	12.39	12.39
DS Ld t	9.40	9.40
DST Op	10.09	10.09
DS P t	11.11	11.11
FenEq t	10.85	10.85
TFLtd unavail		
TFLg p unavail		
Dreyfus Grp:		
A Bond unavail		
CalTx	14.35	NL
CapV p	24.65	25.81
CvSec unavail		
Drevf	11.04	12.07
GNM p	14.01	NL
GthOp	10.93	NL
InsTx p	17.18	NL
Interm	13.26	NL
Levge	13.74	14.39
Mas Tx	15.40	NL
NJ Tx p	12.11	NL
NwLd p	25.35	NL
NY Tax	14.57	NL
NYTE	16.13	NL
NYIn p	10.39	NL
ShInT	12.43	NL
ShinGv unavail		
StrAg p	27.36	28.21
StInc p	12.61	13.20
StInv p	15.84	16.59
StrW p	20.64	21.28
Tax Ex	12.19	NL
Thrd C	4.15	NL
USG In	12.05	NL
Eaton Vance:		
EHStk	13.15	14.18
GvtOb p	10.92	11.46
Grwth	7.32	7.69
HiYld	4.97	5.22
IncBos	9.34	9.81
Invest	7.24	7.60
MunBd	8.88	9.32
Nautls	10.89	11.43
SpEqt	19.32	20.83
TotRt p	7.97	8.37
VS Spl	11.10	11.65
Eaton V Marathn:		
CalMn t	9.78	9.78
HIInc t	9.20	9.20
HIMun t	9.52	9.52
EclipEq	10.79	NL
EmpBld	16.66	17.49
Enterprise Group:		
GrInc t	14.18	14.18
Grwth t	6.68	6.68
HYBd t	12.36	12.36
IntlG	13.36	13.36
Equitec Siebel:		
AgGth t	12.92	12.92
HIYld tt	8.68	8.68
TotRet t	13.45	13.45
USGv t	9.02	9.02
EqStrat	20.59	NL
EurpEm unavail		
Evergreen Funds:		
Evgrn	12.41	NL
TotRtn	18.17	NL
ValTm	11.44	NL
FBL Gth t	10.41	10.41
FPA Funds:		
Capit	12.75	13.64
NwInc	9.45	9.90
Parmt	13.48	14.42
Peren	19.43	20.78
Fairmt	48.95	48.95
Federated Funds:		
CpCsh	8.97	NL
Exch	52.62	NL
FBF	8.68	NL
FT Int	16.48	NL
FdrInt	9.31	NL
FloatT	9.41	NL
GNMA	10.47	NL
Gwth	18.59	NL
HIYld	9.76	NL
Inco	9.91	NL
FIMT	9.62	NL
MtgSc	9.74	NL
Short	10.00	NL
SIGT	9.81	NL
StkBd	15.17	NL
Stock	23.84	NL
USGov	8.88	NL
Fidelity Invest:		
AgrTF r	11.29	NL
A Mor	10.38	10.38
Balanc	10.92	11.14
BluCh	11.42	11.65
CA TF	10.98	NL
CA In	9.44	NL
Cdar	13.36	13.63
CapAp r	15.44	15.76
CongSt	96.61	NL
ConnT	10.32	NL
Contra	14.30	14.30
CnvSc	10.59	10.59
Eq Inc	26.46	27.00
EqIdx	11.50	11.50
Europr	14.02	14.31
Exch	72.21	72.21
Fidel	16.41	16.41
FlexB	6.61	NL
Fredm	13.41	NL
GloBd r	10.61	10.61
GNMA	9.84	NL
GovtSc	9.21	NL
GroInc	16.16	16.49
GroCo	16.49	17.00
HIInc	8.42	NL
HIYld	12.36	NL
InsMu	10.70	NL
IntBd	9.80	NL
IntGr r	12.12	12.24
LtdMn	9.09	NL
Magln	53.43	55.08
MI TF	10.76	NL
MA TF	10.93	NL
MN TF	10.28	NL
MtgSc	9.73	NL
MunBd	7.89	NL
Oh TF	10.45	NL
NJ HY	10.25	NL
NY HY	11.44	NL
NY Ins	10.51	NL
OTC	19.74	20.35
Ovrse	26.34	27.15
PcBas r	15.26	15.57
Pa TF	9.68	NL
Purim	13.41	13.68
RealEs	9.02	9.20
ShtBd	9.15	NL
ShtTGv	9.74	NL
Sht TF	9.33	NL
SpcSit	16.81	17.51
TX TF	10.01	NL
Trend	41.49	41.49
UtilInc	10.90	11.12
Value	28.34	NL
Fidl Inv Instl:		
CTAR r	9.11	NL
EqP G	13.91	13.91
EqP I	11.81	11.81
IP LTD	10.03	10.03
IP SG	9.21	NL
TE Ltd	10.39	NL
QualD	11.64	11.64
Fidelity Selects:		
SlAir r	11.32	11.55
SlAGl r	14.85	15.15
SlAut r	12.30	12.55
SlBio r	11.70	11.94
SlBrd r	15.30	15.61
SlBrk r	8.59	8.76
SlCap r	10.74	10.96
SlChe r	23.34	23.82
SlCmp r	10.72	10.94
SlDef r	12.02	12.27
SlElec r	6.81	6.95
SelEUt	9.32	9.51
SlEng r	14.00	14.29
SlEnS r	8.54	8.71
SlFnS r	30.17	30.79
SlFd r	19.97	20.38
SlHlth r	38.54	39.33
SlInd r	13.41	13.68
SlLesr r	27.29	27.85
SlMD r	9.27	9.46
SlMetl r	11.66	11.90
SlPapr	11.98	12.22
SlPrp r	12.50	12.76
SlReg r	11.08	11.31
SlRetl r	13.97	14.26
SISL r	10.47	10.68
SlSoft r	14.75	15.05
SlTec r	17.36	17.71
SlTele r	21.39	21.83
SlUtil r	27.63	28.19
Fidl Prtn:		
GovSc t	8.97	9.34
GrOp p	14.74	15.35
HIYld p	9.63	10.03
IncGt p	11.52	12.00
ST Bd p	9.75	9.90
SpcSit p	16.69	17.39
FiduCap	15.76	NL
Financial Prog:		
Dynam	7.00	NL
FSB Gv	6.83	NL
FSP Eg	10.51	NL
FSP Eu	9.57	NL
FSP Fn	8.34	NL
FSP U	8.85	NL
FInTx	14.34	NL
Gold	4.98	NL
HlSci	14.87	NL
HIYld	7.73	NL
Indust	3.74	NL
Incom	8.49	NL
Leisr	13.91	NL
Pacif	13.75	NL
Select	6.35	NL
Tech	11.08	NL
FstEqp r unavail		
Fst Investors:		
BlChp p	11.09	11.96
BdAp p	9.91	10.68
Discv p	9.00	9.84
Govt p	10.42	11.45
Gwth p	6.11	6.68
HighY p	6.38	6.85
Inco p	5.07	5.54
IntSc p	4.45	5.08
NYTF p	13.29	14.44
SpcBd	13.03	14.05
TxEx p	9.81	10.58
Value p	11.11	12.14
First Trust:		
TFInc p unavail		
TFIns p unavail		
USGv p unavail		
Flag Investors:		
CncCa p	9.46	9.86
CpCsh p	34.11	NL
CTTE p	9.50	9.92
GATE p	9.62	10.04
KYTE p	9.69	10.11
MITE p	10.41	10.87
NCTE p	9.37	9.73
OHTE p	10.30	10.75
PATE p	9.31	9.72
TnTE p	9.91	10.34
VATE p	9.55	9.97
Flex Funds:		
Bond p	18.24	NL
Grth p	9.89	NL
IncGr p	18.10	NL
Muir fp	5.19	NL
Fortress Invst:		
GISI r	8.90	8.99
HlQal t	12.68	12.81
HY Mu t	9.93	NL
TP US r	9.75	9.85
44 WlEq	4.77	4.82
44Wall r	2.53	2.53
Founders Group:		
BlueC p	6.89	NL
Fmtr p	16.05	NL
Gwth p	8.39	NL
Inco p	7.26	NL
Specl	6.98	NL
Franklin Group:		
AGE	3.21	3.34
AdiMI	10.02	10.44
AZ TF	10.32	10.75
Calins	10.86	11.31
CvtSc	9.50	9.90
DNTC	12.78	13.23
Equity	6.88	7.17
FedTx	11.14	11.60
FL TF	10.55	10.99
Gold	11.81	12.30
Grwth	20.42	21.27
HY TF	10.48	10.92
Incom	2.07	2.16
InsTF	11.04	11.50
MaTF	10.53	10.97
MI Tax	10.82	11.27
MNIns	11.19	11.66
NY Tax	10.68	11.13
Ohiol	10.95	11.41
PaTF	9.48	9.88
Option	5.29	5.51
PR TF	10.48	10.92
SI Gov	10.09	10.24
TA Gov	9.75	10.16
TxAHY	9.22	9.60
Utils	7.29	7.59
US Gov	6.68	6.96
CalTx	6.81	7.09
Franklin Mod Tr:		
CpCsh p	21.19	21.51
InvGd p	8.55	8.91
RisDv p	10.44	10.88
Freedom Funds:		
EqVal t	10.59	10.59
Globl t unavail		
GlIPl t	10.34	10.34
Gold t	14.41	14.41
GvPls t	9.38	9.38
MoTE t	10.60	10.60
RgBk t	11.51	11.51
FrnntMA	10.49	NL
FundTrust:		
Aggr fp	12.57	12.76
Grth fp	13.48	13.69
Grol fp	13.37	13.57
Inco f	9.47	9.61
Fund Source:		
EqTr p	9.93	10.34
GvSec	6.56	6.68
InEq fp	16.05	NL
GabllA t	16.72	NL
GablGl t	14.17	NL
Geico fp	20.97	NL
GIT Invst:		
EqSpc	16.41	NL
HIYd	10.65	NL
InMax	8.10	NL
InARt	9.91	NL
TFVA	10.82	NL
GNA r	9.30	9.30
GatwyGr	10.63	NL
GtwyOp	14.09	NL
GT Global:		
Bond p	10.64	11.17
Eura p	16.97	17.82
Gvinc	10.25	10.76
Intl p	22.39	23.51
Japan p	12.35	12.97
Pacif p	19.95	20.94
WldG p	11.32	11.88
Galaxy Funds:		
Bond	9.87	9.87
Equity	10.88	10.88
GenAgr p	22.14	NL
Gen Elec Inv:		
ElfDiv	10.77	10.77
ElfGl unavail		
Elfnin	10.52	NL
ElfnTr	28.64	NL
ElfnTx	10.97	NL
S&S	32.09	NL
S&S Lg	10.79	NL
GnNYT p	18.02	NL
GenSec	11.94	11.94
GnTxE p	13.50	NL
Gintel Group:		
CaAp p	14.30	NL
ErIsa p	37.84	NL
GintFd	69.97	NL
GrnGSt	18.02	NL
Gradison Funds:		
EstGr p	17.56	NL
Gvln p	12.57	12.83
OpGr p	13.35	NL
Grnsprng	12.93	NL
GwWsh p	12.72	13.39
Grth Ind	8.18	8.18
Guardian Funds:		
Bond	11.34	NL
ParkA	22.48	23.54
Stock	20.85	NL
HTInsEq	11.54	12.08
HarbEq	11.97	NL
HarbrG	11.69	NL
Hart EGt	12.54	12.93
Hart Gth	16.93	17.45
HrvstG p	10.09	10.71
HeartG p	8.85	9.37
HeartId p	15.44	16.17
HelmDis unavail		
HelmInc unavail		
Heritge p	12.54	13.06
HrtgCv p	9.71	10.11
Hidden Strength:		
Gwth p	10.77	11.31
ModA p	7.70	8.08
USGvt	9.42	9.89
HiMrk t	10.68	
HmGvSc	9.26	9.72
Hor Man	18.27	NL
Hummer	14.54	NL
1RI Stk p	6.91	7.24
IAI Funds:		
Apollo	13.23	NL
Bond	9.34	NL
IntFd	10.90	NL
Region	19.62	NL
Resve	10.05	NL
Stock	16.05	NL
IDS Group:		
Bond p	4.57	4.82
Cal p	4.79	5.04
Discv p	6.75	7.11
Equit p	8.65	9.11
Extrl p	4.36	4.80
Fedin p	4.92	5.17
Gwth p	19.11	20.12
HIYld p	4.40	4.67
Insr p	4.83	5.09
Intl fp	8.84	9.31
MgdR p	8.33	8.76
Minn p	4.86	5.12
Mutl p	12.04	12.68
NY p	4.69	4.94
NwD p	8.63	9.08
PreMt p	6.63	6.98
Prog p	6.83	7.19
Select p	8.32	8.75
Stock p	18.62	19.60
TE Bd p	3.93	4.13
StrAg t	10.12	10.12
StrEq t	7.96	7.96
StrInc t	5.60	5.60
StrST t	1.00	1.00
UtilIn	5.08	5.35
StrPa tf	4.35	4.35
IDEX Group:		
Idex	13.85	15.14
Idex 11	13.11	14.33
Idex 3	11.60	12.68
TotInc	9.89	10.63
IMG Bd	10.45	10.72
IMG Stk	13.27	13.97
Integrated Resc:		
AgGth p	15.98	16.78
CapAp t	14.04	14.04
CvSec p	10.19	10.70
Grwth p	14.43	15.15
HIYld p	10.48	11.00
Home t	9.70	9.70
IncPl t	8.71	8.71
Stripe p	12.11	12.71
TotRt p	14.92	15.66
GvPl p	10.34	10.86
IntlCsh p	13.73	13.90
Intl Heritage:		
Govt	8.99	9.64
HIYld p	8.20	8.79
Ome p	14.65	15.71
InsiCa p	7.24	7.58
Invst Portfolio:		
DivIn t	5.97	5.97
Equit t	11.90	11.90
GvtPl t	7.29	7.29
HIYd t	9.09	9.09
Optn t	9.72	9.72
InvPrf p	9.53	9.93
Inv Tr Bost:		
GrOpp	10.09	10.54
HIInc p	10.98	11.47
MasT p	16.00	16.71
Inv Resh	4.94	5.40
Istel p	12.73	NL
Ivy Funds:		
Gwth	14.25	NL
Insl	109.60	NL
Intl	18.51	NL
JP Grth	12.91	13.84
JP Inco	9.14	9.80
JW Gant	1.76	1.88
Janus Fund:		
Flxinc	10.03	NL
Fund	13.10	NL
Value	11.16	NL
Ventur	20.35	NL
JapanFd	15.64	NL
John Hancock:		
AstAll	10.25	10.76
Bond	14.39	15.73
Fxdin p	9.19	9.65
Globl unavail		
Grwth	14.51	15.86
HIInc p	9.03	9.48
IntFr t	9.10	9.55
PcBas p unavail		
SpclEq	5.48	5.99
TxEx p	10.42	10.94
USGv	8.46	9.25
GldMtg	9.59	10.48
Kaufmn r	1.34	1.34
Kemper Funds:		
BluCh p	8.69	9.10
DivInc	7.98	8.72
EnhG p	8.42	8.82
CalTx	6.95	7.28
Grow	8.01	8.75
Hi Yld	10.68	11.18
Incom	8.29	8.68
IntlFd	9.75	10.66
Mun B	9.37	9.81
Summ	3.84	4.20
Tech	9.04	9.88
Tot Rt	7.52	8.22
US Gv	8.48	9.09
KyTxFr	6.56	6.56
Keystone:		
CusB1 t	15.16	15.16
CusB2 t	17.33	17.33
CusB4 t	6.51	6.51
CusK1 t	8.70	8.70
CusK2 t unavail		
CusS1 t	21.10	21.10
CusS3 t	7.88	7.88
CusS4 t	5.06	5.06
Intl t unavail		
KPM t	16.37	16.37
TxETr t	10.63	10.63
TaxF t	8.11	8.11
Keystone America:		
EqIn t	10.05	10.26
GovSc t	9.53	9.72
GlSlk t	11.65	11.89
HIYld t	9.02	9.20
InvGd t	8.77	8.95
TxFr t	9.99	10.19
Kidder Group:		
Gvl t	13.92	13.92
KPE t	17.18	17.18
MktGd	14.93	15.53
Natl unavail		
NY Ser unavail		
SpGth t	15.99	15.99
Landmark Funds:		
CapGt	9.61	NL
GthInc	10.76	NL
NYTF	9.59	9.59
USGov	8.82	NL
LMH	20.68	20.68
Legg Mason:		
GvInt p	9.69	NL
Splnv p	11.98	NL
TotRt p	10.08	NL
ValTr p	28.51	NL
LehOpt	24.82	24.82
Levrge	6.42	6.42
Lexington Grp:		
CLdr	12.78	13.31
GNMA	7.38	NL
Globl	11.55	12.16
GoldId	5.27	NL
Grwth	9.46	NL
Resch	15.85	NL
TE Bnd	10.00	NL
Liberty Family:		
Am Ldr	13.07	13.69
CnvInc	10.88	11.39
HI Icm	10.94	11.46
PratEq	9.12	9.55
Tx Fre	10.30	10.79
US Gvt	8.03	8.41
LibMuG	9.39	9.83
LtdTrm p	12.67	13.03
LindDv r	23.00	NL
Lindr r	18.96	NL
Loomis Sayles:		
Capit	16.04	NL
Mut	20.54	NL
Lord Abbett:		
Affild	9.52	10.26
BdDeb	9.65	10.40
Dev Gt	7.08	7.63
FdVal	10.68	11.51
GlEq	9.82	10.59
GvSc p	2.81	2.95
TaxFr	10.72	11.25
TFCa p	10.09	10.59
TxNY	10.78	11.32
ValAp	9.69	10.45
Lutheran Bro:		
BroHI	9.40	9.89
Fund	16.10	16.95
Incom	8.31	8.75
Muni	8.08	8.51
MFS:		
MIT	12.06	13.00
FInDv	10.89	11.74
GrtStk	8.92	9.62
CapDv	11.96	12.89
Specl	9.87	10.64
Sectr p	11.46	12.03
EmGt	14.72	15.87
TotRet	10.65	11.48
GvGu p	9.01	9.46
GvHY p	7.69	8.07
IntBnd	11.06	11.92
FinBd	12.64	13.63
GovP p	9.44	9.81
HIBd	5.85	6.31
HIInl	8.85	9.29
MuBd	10.28	10.79
TFCA p	5.03	5.28
MuMA	10.46	10.98
MMD p	10.59	11.12
MuNC	10.99	11.54
MuSC	11.06	11.61
MuVA	10.74	11.28
MuWV	10.51	11.03
MuHY	9.50	9.97
MFS Lifetime:		
CapG t	10.31	10.31
Globl t unavail		
Sectr t	9.04	9.04
Emg t	6.57	6.57
DivPl t	8.79	8.79
GvPl t	7.61	7.61
HIInc t	6.72	6.72
IntInc t	9.44	9.44
MuBd t	8.14	8.14
MIMLIC Funds:		
AstAll	10.80	11.37
Invl	11.38	11.98
MtgSc	9.70	10.21
MSB Fd p	17.57	NL
MacKay Shields:		
CaAp t	10.43	10.43
Conv t	8.81	8.81
CrpBd t	8.61	8.61
Globl t unavail		
GovPl t	8.68	8.68
TxFB t	9.56	9.56
TotRt t	10.62	10.62
Valut t	11.12	11.12
Mackenzie Grp:		
AmFd	12.49	13.65
Canad	10.51	11.06
FIxInc	9.91	10.38
GvtSc p	7.36	7.71
OptInc	6.44	7.04
MassMutl Fds:		
Balan p	10.45	10.94
InvGr p	10.02	10.49
USGv p	9.47	9.92
ValSl p	11.03	11.55
Mathers	16.44	NL
Meschrt	24.33	24.33
Merrill Lynch:		
BaVIA	19.16	20.49
CaMA	10.96	11.42
CapFA	22.49	24.05
CpHIA	7.71	8.03
CHQA	10.79	11.24
CpIT	10.69	10.91
CpDiv	9.53	9.72
EqBl r	11.73	12.22
EuroA	9.10	9.73
FdSc p	8.97	9.34
FFTA	15.80	16.68
GlAlA	10.00	10.70
GlCvA	9.81	10.22
InstIn p	9.19	9.19
InHdA	11.46	12.26
MHYA	9.99	10.41
MnInA	7.73	8.05
MnLtd	9.64	9.71
MnIA	9.18	9.37
NlRsA	12.92	13.82
NYMA	10.68	11.13
PacA t	17.29	18.49
PhnxA	12.44	13.30
RlBA	11.20	11.98
RtEqA	10.64	11.38
RtGlA	9.53	9.93
SclTA	9.69	10.36
SpVlA	12.38	13.16
StDvA	11.01	11.78
BaVlB t	19.09	19.09
CaMB t	10.96	10.96
CFdB t	22.42	22.42
CpHIB t	7.71	7.71
CHQB t	10.79	10.79
EurB t	9.04	9.04
FFTB t	15.55	15.55
GlAlB t	9.98	9.98
GlCvB t	9.83	9.83
IntHB t	11.41	11.41
MHYB t	9.99	9.99
MnInB t	7.73	7.73
MnIB t	9.18	9.18
NlRsB t	12.89	12.89
NYMB t	10.69	10.69
PacB tt	17.23	17.23
PhxB t	12.40	12.40
RtBnB t	11.17	11.17
RtEqB t	10.62	10.62
RtGlB t	9.53	9.53
RtInc t	9.03	9.03
SclTB t	9.65	9.65
SpVlB t	12.25	12.25
StDvB t	11.01	11.01
MetLife StateSt:		
CaAp p	12.11	12.68
EqInc p	9.41	9.85
EqInv p	10.16	10.64
GvSc p	6.58	6.89
GvtIn p	11.16	NL
HIInc p	7.16	7.50
MgdA p	7.65	8.01
TxEx p	7.22	7.56
MidAmerica Fds:		
MidAm	5.59	5.93
MAHG	4.16	4.41
MAHY	9.84	10.41
MidasG p	2.65	2.82
Midwest:		
Fl Gt p	12.88	13.52
FIGvt p	9.82	10.23
Fl Tr p	9.08	9.38
IntGv p	9.88	10.18
TFLt p	9.99	10.19
Monitr p	15.80	16.37
MorKe p	11.00	11.34
Morison	5.32	5.66
Mut Ben	15.86	17.33
Mutual of Omaha:		
Amer	9.70	9.70
Grwth	8.04	8.74
Incom	8.95	9.73
Tx Fre	11.09	12.05
Mutual Series:		
Beach	24.85	NL
Qualid	24.35	NL
Shares	72.53	NL
Nat Avia	11.82	12.41
NatInd	11.82	NL
Nat Securities:		
Bond	2.37	2.56
CaTxE	12.56	13.15
Fairfd	7.07	7.73
FedSc	8.68	9.31
Grwth	9.90	10.47
Incom	8.11	8.74
Prefd	7.12	7.68
Prem p	11.81	11.81
RealE	8.28	8.98
REInc	9.33	10.11
Stock	8.07	8.70
StrAll p	11.19	12.13
Tax Ex	9.78	10.24
TotRe	7.37	7.95
NatTele	15.80	16.59
Nationwide Fds:		
NatBd	8.98	9.71
NatFd	12.97	14.02
NatGt	8.83	9.55
TxFre	9.20	9.20
Neuberger Berm:		
Genesis	5.61	NL
Guard	39.69	NL
LtMat	9.69	NL
Mcmkt	9.95	NL
MMPlu	9.80	NL
Partnr	17.91	NL
SelSect	18.59	NL
NewCent	10.09	NL
NewEngland Fds:		
BdInc p	10.83	11.58
Eqty p	9.90	10.59
GlobG p	11.63	12.44
GvSc p	11.53	12.33
Gwth p	7.67	8.20
RetEq p	6.22	6.65
TxEx p	7.01	7.34
NYMun p unavail		
NewtGt	21.72	NL
Newtin	7.82	NL
Nicholas Group:		
Nich	35.71	NL
Nch II	19.19	NL
NchIn	3.75	NL
NchLt	11.96	NL
NodCnvS	8.33	NL
NelnvGr	19.90	NL
NelnvTr	11.65	NL
Nomur t	19.07	NL
Nuveen Funds:		
CA Spc	9.43	9.82
CA Ins	9.24	9.63
InsNat	9.37	9.76
MunBd	8.56	8.92
NYITF	9.05	9.43
OhTF	9.14	9.52
TF MA	8.62	8.98
TFNY	9.22	9.60
Oberws t	10.92	11.38
OlyEqIn	12.71	NL
OldDom	21.19	22.48
Olympus Funds:		
Equty t	9.27	9.68
Optin t	8.05	8.41
TE CA	7.57	7.91
USGvt	8.79	9.18
Oppenheimer Fd:		
AsetA p	10.23	10.74
BlueC p	13.72	14.40
Direct	22.24	24.42
EqInc	8.80	9.82
GNM p	13.06	13.71
Global	26.84	29.32
Gold	12.49	13.65
Hi Yld	15.48	16.60
NYTx p	11.70	12.28
90-10	13.43	14.56
OTCF p	20.02	21.02
Oppen	8.53	9.32
Prem	21.56	23.56
Racy	13.25	14.48
Specl	17.73	19.38
Target	17.17	18.03
TxFr p	9.18	9.64
Time	15.92	17.40
TotRt p	6.63	6.96
USGv p	9.23	9.69
Ostrand	9.80	NL
OTC Sc p	15.71	16.45
Pacific Horizon:		
AgGr p unavail		
CATF p	13.41	14.04
HYBd	13.82	14.47
PIMIT LD unavail		
PIMIT Tr unavail		
Paine Webber:		
AstAll p	10.00	NL
Atlas	15.30	16.02
CalTx t	10.65	11.12
CGrIn t	14.67	15.36
CGrwth f	13.25	13.87
GNMA t	9.07	9.47
HIYld t	8.21	8.57
HYMu t	9.89	10.33
InvGd t	9.43	9.85
MstE t	11.38	11.88
MstGl t	10.12	10.12
MstGt p	11.94	NL
MstIn p	8.91	NL
TxEx t	10.95	11.44
Parkstone Fds:		
Bond	9.72	10.18
Equty	10.66	11.16
HIEq	10.72	11.23
IntGvt	9.79	10.25
LtdMt	9.86	10.32
MunBd	9.91	10.38
SmCVl	11.05	11.57
Parnsus	21.73	22.52
PasadG	19.06	19.65
PatriCC	48.38	48.50
PaxWld	12.43	NL
PennSq p	9.20	9.46
PennMu r	6.89	NL
PermPrt	14.95	NL
PrmTbll	55.68	NL
PerrlCG	10.72	NL
Phila	6.17	NL
Phoenix Series:		
Balan	12.44	13.36
CvFd	15.81	16.98
Grwth	16.73	17.97
HiQual	8.75	9.19
HIYld	8.65	9.08
Stock	11.38	12.22
TotRt p	12.82	13.46
Pilgrim Grp:		
CpInv p	14.57	16.95
FGvSc	8.98	9.43
FHIin p	8.46	8.88
GNMA	13.47	14.14
HIYld p	6.84	7.18
MagCp	10.05	10.55
Prefd p	18.32	18.74
Pioneer Fund:		
Bond	8.86	9.28
MuBd	9.40	9.84
Fund	21.56	23.56
II	18.90	20.66
III	16.09	17.58
Piper Jaffray:		
Balan p	9.19	9.57
Govt	9.19	9.57
Sectr	8.56	8.92
Value p	10.34	10.77
PSTx CT	10.94	11.46
PSTx Oh	11.49	12.03
Price Funds:		
CalTF	9.29	NL
CapAp	11.21	NL
EquIn	14.24	NL
GNMA	8.88	NL
Grwth	15.37	NL
GthInc	13.38	NL
HIYld	10.09	NL
Incom	8.24	NL
IntlBd	9.47	NL
IntlStk	9.45	NL
MdTxF	9.28	NL
NewA	14.17	NL
N Era	20.09	NL
N Horz	11.61	NL
NYTF	9.57	NL
SciTc	9.21	NL
ShTrB	4.88	NL
SmCVl	9.68	NL
TxFrl	8.56	NL
TxFrH	11.21	NL
TxFrSl	5.03	NL
PrimryT	12.04	NL
Princpl Presv:		
DvAch	10.51	11.01
GovtPl	8.72	9.13
InsTE	9.41	9.85
PlusPrt	7.98	8.36
Retire	9.73	10.19
SP 100	10.53	11.03
Princor Funds:		
CapAc	18.11	19.06
Govt	9.96	10.49
Gwth	17.73	18.66
TE Bd	10.63	11.19
PruSec p unavail		
Prudential Bache:		
CalMu t	10.60	10.60
CpDiv t	17.03	17.03
Equt t	9.81	9.81
EqInc t	10.08	10.08
FlAg t	9.76	9.76
FlCn t	9.56	9.56
GNMA t	14.17	14.17
Globl t	9.98	9.98
GlbGn t	11.65	11.65
GlbRs t	9.86	9.86
GvPl t	9.08	9.08
GvPll t	8.76	8.76
GvtSc p	9.64	9.64
GtOp t	11.97	11.97
HIYld t	9.57	9.57
InVer t	10.51	10.51
MuAz t	10.76	10.76
MuGa t	11.05	11.05
MuHl t	10.45	10.45
MuIn t	10.38	10.38
MuMd t	10.30	10.30
MuMa t	10.60	10.60
MuMn t	10.90	10.90
MuMl t	10.78	10.78
MuMT t	10.07	10.07
MuNC t	10.50	10.50
MuNJ t	10.16	10.16
MuNY t	10.69	10.69
MuOr t	10.85	10.85
MuOh t	10.71	10.71
MuPa t	9.45	9.45
NlMu t	14.88	14.88
OptG t	8.64	8.64
Resh t	13.86	13.86
Util t	15.37	15.37
Putnam Funds:		
CCArp	38.69	39.68
CCDsp	41.19	42.14
CalTx	15.48	16.25
CaPrs p	11.39	11.96
Conv	14.95	16.34
Dvrinc	12.33	12.94
EngRs	15.39	16.82
GNM p	9.64	10.12
Georg	12.81	14.00
Globl p	15.20	15.96
GrsInc	11.77	12.86
Health	18.56	20.28
HIInc p	9.79	10.50
Hi Yld	14.28	15.31
HYdll p	11.06	11.86
Incom	6.69	7.17
IntoSc	18.19	19.88
Int Eq	27.24	29.77
Invest	7.46	8.15
MaTx t	11.92	11.92
MITx t	12.17	12.17
MnTx t	12.05	12.05
NYTx	16.68	17.51
OhTx t	11.97	11.97
OTCE p	28.53	30.60
Optn	8.72	9.53
OptnII	9.02	9.86
Tax Ex	25.25	26.51
TFHY t	13.86	NL
TFIns t	14.16	14.16
USGld	13.34	14.01
Vista	19.30	21.09
Voyag	22.04	24.09
QuestGv	11.09	11.61
QuestFd	27.05	28.32
RNC Group:		
CvSc p	9.20	9.66
Rscy p	12.35	12.97
Wstw p	9.74	10.23
Rainbw	5.63	NL
ReaGr	13.88	14.88
RchTng	15.03	NL
ResEq	14.04	14.04
Rightime Group:		
BlueC p	24.73	25.96
RT fp	30.72	NL
GvSc p	13.58	14.26
Grth p	23.92	25.11
Rochester Fds:		
CnvG p	9.88	9.39
CnvIn p	6.02	6.22
Grth p	6.93	7.16
Muni p	15.99	16.66
Tax p	12.56	13.73
Rodney Square:		
BnUS p unavail		
Gwth p	10.90	11.56
IntlEq p	11.31	12.00
Royce Funds:		
Inco t	8.33	8.33
Valu t	8.60	8.60
TotRt t	5.05	NL
Rushmore Group:		
SMP Id	12.73	NL
OTC Id	12.84	NL
USGLg	9.14	NL
US Gov	9.44	NL
TxFLg	10.28	NL
TxFSh	10.04	NL
SBSF Cv	10.13	NL
SBSF Gr	14.06	NL
SEI Funds:		
BdIdx p	9.17	NL
LIVBd p	9.48	NL
ShtGv p	9.49	NL
IntGv p	9.22	NL
EqIdx p	10.95	NL
Valu p	10.45	NL
CapApp	10.80	NL
SFT Group:		
Envir p	11.42	12.02
Equit p	11.95	12.58
US Gv p	6.63	6.98
SP IFG Fds:		
DEAF t	11.85	NL
IntMu f	9.90	NL
TIF t	11.61	NL
Safeco Secur:		
CalTF	11.06	NL
Equit	9.11	NL
Grwth	15.99	NL
Inco	14.88	NL
Munic	12.98	NL
USGov	8.94	NL
SalmFl p	9.53	9.53
SalemG p	14.64	14.64
Schield p	11.08	11.54
Schrodr	7.46	7.46
Scudder Funds:		
CalTx	10.31	NL
CapGt	18.87	NL
Devel	21.54	NL
Eqtyin	11.65	NL
Gen90	10.07	NL
Globl unavail		
GNMA	13.93	NL
Gold	10.89	NL
Grwin	14.34	NL
Incom	12.61	NL
IntlBd	11.68	11.68
Intl Fd	35.13	NL
MMB	8.46	NL
MA Tx	12.28	NL
NYTax	10.57	NL
TxFHI	11.86	NL
TxFr90	9.96	NL
TxFr93	10.42	NL
TxFr96	10.60	NL
Seaplnt	9.80	NL
Security Funds:		
Action	9.60	
Bond p	7.42	7.79
Equty	5.26	5.75
Invest	8.39	9.17
OmniFd	2.73	2.98
Ultra	6.90	7.54
Selected Funds:		
AmSh p	15.04	15.04
SplSh p	18.54	18.54
Seligman Group:		
CapFd	11.39	11.96
ColoTx	6.94	7.29
CmStk	11.92	12.51
Comun	11.01	11.56
FLTax	6.86	7.20
Growth	4.70	4.93
Inco	12.25	12.86
LaTx	7.76	8.15
MassTx	7.54	7.92
MdTx	7.45	7.82
MichTx	7.97	8.37
MinnTx	7.49	7.86
MO Tx	7.17	7.53
NatlTx	7.67	8.05
NJTE p	7.06	7.41
NY Tax	7.58	7.96
OhioTx	7.72	8.10
OrTE	6.90	7.24
PaTQ p	7.37	7.74
CaTax	6.29	6.59
CaTxQ	6.39	6.69
SCTE	7.24	7.60
GvGld p	6.95	7.30
HYdB p	6.95	7.30
MtgSc p	6.54	6.87
Sentinel Group:		
Balan	12.47	13.63
Bond	5.97	6.52
Com S	23.43	25.61
GvSec f	9.15	10.00
Grwth	12.32	13.46
Sequoia	42.59	42.59
Sentry	11.93	12.97
Shearson Funds:		
AgrGr	15.75	16.58
Aprec	30.34	31.94
ATTGr	56.42	59.40
ATIn	106.21	106.21
ColMu	15.34	16.15
CvSec	9.85	10.37
FdVal	6.18	6.51
GlbOp	24.89	26.20
HighYd	17.10	18.00
LehCo	18.20	19.16
Lehinv	16.27	17.13
MgdGv	11.78	12.40
MMun	14.81	15.59
NJMu	11.72	12.34
NYMu	15.83	16.66
PrcMM	15.56	16.38
PrmRet	9.71	NL
SmCap	14.71	15.48
Shearson Ports:		
BasVl t	13.46	13.46
Convt t	13.18	13.18
GlbBd t	16.15	16.15
GlbEq t	11.19	11.19
GvSec t	8.67	8.67
GrOpr t	16.16	16.16
Gwth t	12.22	12.22
HG Bd t	10.21	10.21
HIInc t	13.55	13.55
IntGv t	11.01	11.01
Intl t	17.75	17.75
LT Gv t	7.95	7.95
MtgSc t	10.50	10.50
MOPS t	52.17	52.17
Optin t	13.37	13.37
PrcMt t	13.69	13.69
Sectr t	10.57	10.57
SplEq t	13.03	13.03
Strat t	15.24	15.24
TxEx t	16.71	16.71
Util t	12.10	12.10
ShrmD p	7.24	7.24
Sigma Funds:		
Capit p	8.55	9.10
ISIGth	6.66	7.09
ISI TS	10.84	11.53
Inco p	8.16	8.54
Invst p	10.52	11.19
PaTx p	11.98	12.54
Spcl p	8.90	9.47
TxFB p	8.88	9.30
Trust p	13.63	14.50
USGv p	11.49	12.24
ValSh p	9.82	10.45
Vent p	8.63	9.18
Wrld p	13.31	14.16
SltNBG	28.30	NL
SkylBal p	9.71	10.10
SkySpE p	11.49	11.95
Smith Barney:		
Eqty	13.68	14.17
IncGro	11.51	12.21
IncRet	9.07	9.18
MoGvt	11.55	12.03
MuCal	11.24	11.71
MuNtl	12.17	12.68
USGvt	12.41	12.93
SoGen p	17.41	18.09
SoundSh	14.27	NL
SAM VT	12.45	12.45
SthestG t	13.87	13.87
Sover In	11.57	12.18
State Bond Grp:		
Com St	6.85	7.49
Divers	7.91	8.64
Progrs	10.02	10.95
TaxEx	10.20	10.68
USGv p	4.69	4.94
St FarmFds:		
Balan	19.46	19.46
Gwth	14.48	14.48
Munl	7.73	7.73
StStreet Resh:		
Exc	145.10	145.10
Grwth	83.28	83.28
Inv r	78.40	78.77
Steadman Funds:		
Am Ind	2.21	NL
Assoc	.64	NL
Invest	1.22	NL
Ocean	3.16	NL
Stein Roe Fds:		
Cap Op	22.83	NL
Discv	10.29	NL
GvtPlu	9.34	NL
HYMu	11.65	NL
HYBds	9.38	NL
IntMu	10.30	NL
MgdBd	8.25	NL
MgdM	8.69	NL
PrimE	9.73	NL
Specl	16.66	NL
Stock	15.75	NL
TotRet	23.09	NL
Univ	13.44	NL
Strategic Funds:		
Gold	4.58	5.01
Invst	3.08	3.37
Silvr	3.93	4.30
StratmDv unavail		
Strat Gth unavail		
Strong Funds:		
Discov	12.24	12.49
GovSc	10.04	NL
Inco	11.93	NL
Invst	18.23	18.41
MunBd	9.38	NL
Opply	18.53	18.91
ST Bd	18.08	NL
Total	20.04	20.24
TecuEq	10.32	10.83
Tecuml	9.71	10.19
Templeton Group:		
Frgn	20.46	22.36
Global	7.76	8.48
Grwth	14.60	15.96
Inco	10.02	10.95
World	15.18	16.59
Thomson McKinn:		
CvSec t unavail		
Global t unavail		
Gwth t unavail		
Inco t unavail		
Opor t unavail		
PrcMet unavail		
TaxEx t unavail		
USGv t unavail		
TrnstIn p	10.18	NL
TrnstGr p	15.31	NL
TreasFt	9.21	NL
20th Century:		
Balinv	10.23	NL
Gift	7.92	NL
Grwth	13.93	NL
HerInv	6.86	NL
LTBnd	89.29	NL
Select	29.53	NL
TxEIn	95.38	NL
TxELT	96.50	NL
Ultra	8.42	NL
USGv	91.23	NL
Vista	6.87	NL
TynNwGl	11.56	12.16
USAA Group:		
AgsvGth	17.15	NL
Cornst	17.33	NL
Gold	8.26	NL
Grwth	12.45	NL
Inco	10.83	NL
IncStk	10.84	NL
Intl	10.73	NL
TxEH	12.74	NL
TxEIt	11.67	NL
TxESh	10.28	NL
Unified Mgmnt:		
Genrl	8.62	8.62
Gwth	20.51	20.51
Inco	10.94	10.94
Indian	8.89	8.89
Muti	15.34	15.34
United Funds:		
Accm	6.93	7.57
Bond	6.01	6.57
Con Inc	15.39	16.82
GldGv	7.62	8.33
GvtSec	4.73	4.94
IntGth	6.54	7.15
HI Inc	11.59	12.67
HIIncII	4.51	4.93
Incom	17.94	19.61
Muni	6.93	7.24
MuniHl	4.84	5.05
NwCcpt	5.09	5.56
Retire	5.65	6.17
ScEng	10.32	11.28
Vang	6.17	6.74
Utd Services:		
GBT	16.39	NL
GNMA	9.09	NL
GldShr	3.78	NL
Gwth	6.84	NL
Inco	10.51	NL
LoCap r	6.45	NL
N Pro r	1.21	NL
Prspc r	.72	NL
RlEst	9.73	NL
US TF	10.94	NL
UST Int	8.54	NL
ValFrg	9.87	9.87
Value Line Fd:		
Aggrin	7.73	NL
Conv	11.20	NL
Fund	14.07	NL
Incom	6.03	NL
Lev Gt	20.44	NL
MunBd	10.20	NL
NY TE	9.70	NL
Spl Sit	12.53	NL
US Gvt	11.45	NL
Van Eck:		
GldRs p	4.56	4.93
IntInv	12.81	13.13
WldIn p	8.97	9.70
WldTr p	12.93	13.98
VanKampen Mer:		
CATF p	15.14	15.92
Gwth p	16.12	16.95
HIYld p	13.23	13.91
InTF p	17.20	18.09
PA TF	15.12	15.90
TxFH p	16.01	16.83
USGv p	14.49	15.24
Vance Exchange:		
CapE	102.83	NL
DBst	60.29	NL
Diver	112.50	NL
ExFd	155.15	NL
ExBo	143.12	NL
FidEx	87.40	NL
SeFid	87.36	NL
Vanguard Group:		
AssetA	10.72	NL
BdMkt	8.95	NL
Convrt	8.94	NL
EqInc	11.47	NL
Explr	29.15	NL
ExplII	20.40	NL
Morg	10.90	NL
NaesT	38.29	NL
Prmcp	47.88	NL
VHYS	14.68	NL
V Pref	7.90	NL
V ARP	19.40	NL
Quant	11.99	NL
STAR	11.79	NL
TC Int	28.19	NL
TCUsa	28.79	NL
GNMA	9.18	NL
HYBd	8.24	NL
IGBnd	7.76	NL
ShrtTr	10.16	NL
STGovt	9.69	NL
US Tr	9.07	NL
IdxExt	12.64	NL
Indx 500	28.99	NL
MuHY	10.01	NL
MuInt	11.80	NL
MunLd	10.00	NL
MuLg	10.26	NL
MInLg	11.39	NL
MuSht	15.13	NL
Cal Ins	9.84	NL
NJIns	10.11	NL
NYIns	9.38	NL
Pennin	9.79	NL
VSPE r	13.01	NL
VSPG r	9.40	NL
VSPH r	20.29	NL
VSPS r	16.75	NL
VSPT r	11.23	NL
Wellsl	15.58	NL
Welltn	16.89	NL
Wndsr	14.01	NL
Wnds II	14.15	NL
WldInt	10.29	NL
WldUS	8.25	NL
Venture Advisers:		
IncPl	8.14	8.55
Muni t	9.48	9.48
NY Ven	8.37	8.79
RPFB t	6.78	6.78
RPFE t	19.63	19.63
VikEqIn unavail		
Wealth p	7.40	7.40
Weiss Peck Greer:		
Tudor	23.05	NL
WPG	21.49	NL
Govt	9.63	9.63
Gwth	102.86	NL
WallSt	6.99	7.48
WellsF IRA:		
AstAl f	12.30	NL
Bond f	11.19	NL
CaStk f	20.24	NL
SmlCo f	15.01	NL
Westcore:		
STBd	9.72	9.92
IntBd	9.82	10.28
BdsPl	14.73	15.42
BosVl unavail		
ModVl unavail		
MIDC unavail		
Westwd	12.80	13.33
Wood Struthers:		
Neuw	14.12	NL
Pine	11.86	NL
WinG t	10.33	10.33
YamGlb	10.23	10.74

NL— No initial sales load. f—Previous day's quote. r— Redemption charge may apply. x— Ex dividend.

Wall Street Review

NYSE Most Actives

	Vol.	High	Low	Last	Chge.
SmkBck	207163	68½	63½	66¾	+5⅝
Exxon	88730	43⅝	42½	42⅝	—1⅛
IllPowr	84794	15	14⅛	14⅜	+1
IBM	76788	110¼	106¼	109⅝	+ ⅝
NWA	72584	89⅞	82½	88¾	+3⅞
Tandem	66032	17⅝	14¾	15⅝	—1⅞
FordM	64181	49⅝	46½	47¼	—1⅛
UCarb	61946	30¼	29	29½	+ ⅜
AmExp	60708	32⅞	31¼	32⅝	+1¼
BrlRsc n	60584	50⅞	46⅞	48⅛	+ ¼
Citicorp	58018	30⅜	28⅝	29	— ⅜
Lockhd	56298	50⅞	45⅝	47	+ ¼
Syntex	55712	45⅞	41⅝	44⅝	+2½
RJR Nb	54934	89⅝	85½	88¼	+1⅜
AT&T	52152	31⅜	30¼	31¼	— ¼
Sears	50014	44⅞	43½	44⅞	+1¼
GMotr s	49341	41⅝	39½	40¼	—1½
Tribune	48515	48¾	42⅞	42½	— ⅜
USX	47837	34	32¼	32⅞	+ ¼
Anheus	46054	38	35⅝	37¾	+2⅛
GenEl	44971	45½	44½	45⅛	+ ⅜
CtzSCp	44544	35⅝	34⅜	35½	— ⅜
LILCo	44493	16	14⅞	15½	+ ½
Limited	42804	28½	25¼	27⅛	—1⅛
Chryslr	42196	25¼	23¾	24½	— ⅜

AMEX Most Actives

	Vol.	High	Low	Last	Chge.
FruitL	49283	11¼	9	9½	+ ½
TexAir	35470	14¼	12⅝	13¼	— ⅝
Amdhl s	25861	17⅞	15⅞	17½	+ ⅞
WangB	24042	8½	7⅝	8⅛	— ¼
HomeSh	21430	6¾	5⅜	6½	+ ¾
WDigitl	18638	14	11¼	13⅝	+2
DWG	12268	13¼	12	12	— ⅝
TotlPet	9786	25⅞	22⅝	25	+2⅛
MaxmC	9316	6½	5⅝	5⅝	— ⅞
IntTich	9130	12⅝	10⅞	11⅞	— ⅛
NY Time	9089	28⅜	26⅝	27¾	+1¼
ENSCO	7400	3½	3	3⅛	+ ⅛
EchoBy	6731	15	14½	14⅝	— ⅜
Diasonc	6634	2⅝	1⅞	2¼	— ⅛
IntBknf	6544	5¼	4⅝	4⅞	— ⅜
Alza	6472	26⅝	25¼	26¼	+1⅛
ForstL	5887	31⅛	29⅝	30¼	— ⅜
Lionel	5731	7⅛	6¼	7	— ⅛
ICH	5483	4¾	4½	4⅝	+ ¼
FAusPr	5450	8⅝	8½	8⅝	— ⅛
Gream s	4962	6⅝	5⅞	6⅛	+ ½
TwCty	4668	9½	6½	7⅛	—2
vjEAL pfF	4833	11⅜	8⅝	11⅛	+2⅛
GiantF s	3875	24⅞	23⅞	24½	— ½
PbILD	3579	14⅛	13⅛	13¼	+ ⅜

NYSE Sales

	Sales Vol.
Total for week	794,700,000
Week ago	744,530,000
Year ago	854,430,000
Two years ago	889,750,000
Jan 1 to date	11,047,249,730
1988 to date	11,011,410,000
1987 to date	12,789,340,000

AMEX Sales

	Sales Vol.
Total for week	42,650,000
Week ago	49,380,080
Year ago	49,230,000
Jan 1 to date	752,500,000
1988 to date	780,940,000

NYSE Diaries

	This Wk	Last Wk
Advanced	1060	722
Declined	764	620
Unchanged	338	315
Total issues		
New Highs		
New Lows		

AMEX Diaries

	This Wk.	Last Wk
Advanced	416	490
Declined	411	323
Unchanged	202	221
Total issues	1029	1034
New Highs	73	71
New Lows	41	50

هكذا من الأصل

New International Bond Issues

Compiled by G. Jennifer Shapiro

Issuer	Amount (millions)	Mat.	Coup. %	Price	Price end week	Terms
FLOATING RATE NOTES						
Abbey National Building Society	£200	1990	Libor	101.60	99.75	Interest will be pegged to the the 3-month Libor. Noncallable. Warrants to buy a par priced 11% bond due Dec. 1999. Fees 0.15%. (Baring Brothers & Co.)
Ferrovie Dello Stato	m.300,000	1997	Libib	100	100.20	Semiannual pegged to the 6-month Libib and latest annual yield of the Istituto Credito Mobiliare bonds calculated monthly. Callable after one year at par on every payment date. Fees 0.75%. Denominations 5 million Lira. (Istituto Bancario San Paolo di Torino.)
Great Belt A.S.	Y7,000	1994	0.30	100.10	—	Below the yen/yen swap rate, semiannually. Fees 0.20%. Denominations 10 million yen. (LTCB Int'l.)
FIXED-COUPON						
Asian Development Bank	$100	1999	9⅝	101.35	99.15	Noncallable. Fees 2%. (Shearson Lehman Hutton In't.)
Japan Finance Corp. for Municipal Enterprises	$150	1999	9⅝	101½	99.25	Noncallable. Fees 2%. (IBJ Int'l.)
Toyota Motor Finance Netherlands	$200	1991	10¼	100.95	99.75	Noncallable. Fees 1⅛%. (Nomura Int'l.)
Republic of Italy	£400	2014	10½	100⅝	97.75	Noncallable. Fees 2½%. Denominations £10,000. (Credit Suisse First Boston.)
European Investment Bank	ECU 250	1997	9	102	100.03	Noncallable. Fees 2%. (Swiss Bank Corp.)
Nationale-Nederlanden U.S. Holdings	ECU 100	1991	9	101½	60.80	Noncallable. Fees 1⅛%. Increased from a 75 million Ecu bond issued March 13. (Bankers Trust Int'l.)
McDonalds Restaurants of Canada	C$100	1994	11½	101⅞	99.75	Noncallable. Fees 1⅞%. (RBC-Dominion Securities.)
State Bank of South Australia	Aus$75	1994	15¼	102	99.65	Noncallable. Fees 2%. (Hambros Bank.)
Council of Europe	Aus$50	1990	17	101⅜	100.34	Noncallable. Fees 1%. (Commerzbank AG.)
GMAC Australia Finance	NZ$50	1992	14	102	100.87	Noncallable. Fees 1½%. (Hambros Bank.)
Société Générale	NZ$50	1992	13½	101⅞	100.12	Noncallable. Fees 1⅛%. (Fay Richwhite & Société Générale.)
Girozentrale Bank	Y2,500	1993	6½	101⅝	—	Noncallable. Fees undisclosed. (Nippon Credit Int'l.)
Girozentrale Bank	Y2,500	1993	6.30	101⅝	—	Noncallable. Fees undisclosed. (Nippon Credit Int'l.)
EQUITY-LINKED						
Fujita Tourist Enterprises	$150	1993	4⅝	100	101.00	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 2,409 yen per share and at 132.85 yen per dollar. Fees 2¼%. (Nikko Securities Europe.)
Hoya Corp.	$150	1993	open	100	101.50	Coupon indicated at 4⅝%. Noncallable. Each $5,000 note with one warrant exercisable into company's shares at an expected 2½% premium. Fees 2¼%. Terms to be set April 11. (Nomura Int'l.)
Intec	$100	1993	4⅝	100	99.75	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 3,742 yen per share and at 132.50 yen per dollar. Fees 2¼%. (Nikko Securities Europe.)
Japan Air Lines	$1,000	1993	4⅛	100	103.50	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 16,708 yen per share and at 132.85 yen per dollar. Fees 2¼%. (Nomura Int'l.)
Jujo Paper	$400	1993	4⅛	100	—	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 1,405 yen per share and at 133.90 yen per dollar. Fees 2¼%. (Nikko Securities Europe.)
Kamigumi	$300	1993	4¼	100	103.00	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 1,077 yen per share and at 132.50 yen per dollar. Fees 2¼%. (Nomura Int'l.)
Mitsubishi Bank	$300	2004	open	100	98.50	Semiannual. Coupon indicated at 3½%. Callable at 104 in March 1992 declining to par until March 2000. Convertible at an expected 5% premium. Fees 2½%. Denominations $10,000. Terms to be set April 14. (Mitsubishi Finance Int'l.)
Mitsubishi Electric	$800	1993	4⅛	100	103.00	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 1,169 yen per share and at 132.50 yen per dollar. Fees 2¼%. (Daiwa Europe.)
Mitsubishi Estate Co.	$700	1994	open	100	102.75	Coupon indicated at 5⅛%. Noncallable. Each $5,000 note with one warrant exercisable into company's shares at an expected 2½% premium. Fees 2¼%. Terms to be set April 10. (Nikko Securities Europe.)
Mori Seiki	$100	1993	4⅝	100	101.80	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 2,419 yen per share at 132.90 yen per dollar. Fees 2¼%. (Yamaichi Int'l Europe.)
Okamoto Industries	$100	1993	4⅝	100	101.75	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 1,097 yen per share and at 133.20 yen per dollar. Fees 2¼%. (Yamaichi Int'l Europe.)
Onoda Cement	$300	1994	4¾	100	103.75	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 1,148 yen per share and at 133.90 yen per dollar. Fees 2¼%. (Nikko Securities Europe.)
Shiroki	$90	1993	open	100	99.00	Coupon indicated at 5⅛%. Noncallable. Each $5,000 note with one warrant exercisable into company's shares at an expected 2½% premium. Fees 2¼%. Terms to be set April 12. (Nomura Int'l.)
Showa Denko	$500	1993	4⅛	100	109.00	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 1,261 yen per share and at 132.90 yen per dollar. Fees 2¼%. (Nomura Int'l.)
Santander Financial Issuances	$200	1996	open	100	99.50	Coupon indicated at 7⅛% to 7⅜%. Noncallable. Each $5,000 note with one warrant exercisable into company's shares at an expected 3% premium. Fees 2⅛%. Terms to be set on or before April 11. (Morgan Stanley Int'l.)
Tobu Railway	$300	1994	open	100	102.50	Coupon indicated at 5⅛%. Noncallable. Each $5,000 note with one warrant exercisable into company's shares at an expected 2½% primium. Fees 2⅛%. Terms to be set April 11. (Yamaichi Int'l Europe.)
Toyo Menka Kaisha	$300	1993	4⅛	100	101.50	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 836 yen per share and at 132.50 yen per dollar. Fees 2¼%. (Nikko Securities Europe.)
Ushio Inc.	$150	1994	open	100	100.75	Coupon indicated at 5⅛%. Noncallable. Each $5,000 note with one warrant exercisable into company's shares at an expected 2½% premium. Fees 2¼%. Terms to be set April 10. (Daiwa Europe.)
Wakachiku Construction	$100	1993	4¼	100	102.00	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 1,558 yen per share and at 133.20 yen per dollar. Fees 2⅛%. (Nomura Int'l.)
Zenchiku	$100	1993	open	100	100.50	Coupon indicated at 5⅛%. Noncallable. Each $5,000 note with one warrant exercisable into company's shares at an expected 2½% premium. Fees 2¼%. Terms to be set April 11. (Daiwa Europe.)
Mitsubishi Bank	DM500	1994	open	100	97.375	Semiannual. Coupon indicated at 2½%. Noncallable. Convertible at an expected 5% premium. Fees 2⅛%. Terms to be set April 14. (Deutsche Bank AG.)
Toyo Tire & Rubber	DM100	1994	2	100	100.75	Noncallable. Each 5,000 mark note with one warrant exercisable into company's shares at 963 yen per share and at 70.93 yen per Mark. Fees 2⅛%. (Commerzbank AG.)
Intec	DF75	1993	1⅜	100	—	Noncallable. Each 10,000 guilder-note with two warrants exercisable into company's shares at 3,742 yen per share and at 62.85 yen per guilder. Fees 2⅛%. (Credit Suisse First Boston.)

EC Expected to Soften Plan on Tax Convergence

Reuters

BRUSSELS — The European Community is likely to water down plans to bring indirect tax rates closer together in the 12 member states, a key part of its drive towards creating a single market after 1992, diplomats said.

For that reason, the European Parliament will probably not give its opinion on the proposals during its session this week and will wait to see how the EC's executive commission revises the plans, parliament officials said.

Diplomats said Christiane Scrivener, the commissioner responsible for tax questions, had indicated she might reconsider the proposals at a meeting last week with representatives of the 12 member states.

"To our surprise she showed considerable openness toward rethinking the proposals," one diplomat said.

But they said she stood fast on the principle that the measure should lead to the abolition of border controls and that differences in value-added-tax rates should be narrowed.

The commission and most member states regard the proposals as a key element to the removal of all barriers to the movement of goods, services, capital and people in the community by the end of 1992.

But Britain and Luxembourg maintain that the approximation of VAT rates should be left to market forces. They say that once shoppers can travel freely across boders, governments will be forced to ensure that their taxes are not too high.

But Denmark, which draws 11 percent of its tax revenue from its 22 percent VAT, argues it cannot afford lower rates.

The diplomats said Ms. Scrivener now recognized the sensitivity of some states towards zero rates for such "essential" goods as food and children's clothes.

She was also more flexible on the proposed VAT rates, they said. The current plan would set a band of 14 percent to 20 percent for most goods and a reduced rate of 4 percent to 9 percent for others.

Commission sources said Ms. Scrivener might soon try to force progress on the issue by linking it with a separate proposal on a community-wide withholding tax on investment income. All EC tax measures require unanimous agreement by the member states.

But diplomats said it was unlikely that members would accept such a move. They said Britain and Luxembourg were opposed to both proposals on grounds of principle and were not interested in trading off concessions in the two areas.

EC finance ministers are to discuss both proposals at a meeting in Luxembourg on April 17, though there is no likelihood of decisions on either.

"So many points remain unresolved. At least we can discuss them more flexibly now," one diplomat said.

■ EC Monetary Union Plan Revised

A controversial report on plans to head towards monetary union in Europe has been revised in a bid to overcome fundamental objections by Britain, West Germany and Luxembourg, Reuters reported from London.

An earlier draft of the report caused an uproar last month, with the three nations complaining that they were being steamrollered into a common European currency and joint central bank by Jacques Delors, president of the European Commission.

"The revised draft does seem to reflect a broader consensus," said a central bank official on Friday. "It is a far more technical document and no longer tries to prescribe in a rigid timetable how to achieve the goal."

A 17-member committee of the 12 EC central bank governors plus monetary experts working on the report is to review the revised version in Switzerland next week and has set a further meeting for April 19 if agreement cannot be reached.

Although the committee, set up last year to examine "concrete steps" towards monetary union, was supposed to deliver a technical report, its work has become embroiled in politics.

The debate has split central bank governors into two camps: Pragmatists led by Britain, West Germany and Luxembourg which argue for a gradual approach to monetary union, and a more radical group led by Mr. Delors and France.

Waterford Chairman Steps Down

The Associated Press

DUBLIN — The chairman of the financially troubled Waterford Glass Group PLC resigned Sunday, the day before an independent report was to be made public showing accounting errors at the famous crystal and glass manufacturer.

Paddy Hayes, chairman and chief executive of the company that owns Waterford Crystal in Ireland and Wedgewood China in Britain, issued a statement in Dublin in which he revealed that "previously unreported figures" had been found by the accountants Peat Marwick McLintock.

He said that he therefore resigned, "in keeping with well-established business tradition."

Mr. Hayes' resignation was announced only hours after the Sunday Tribune of Dublin said the accountants' report, to be published Monday with the company's 1988 results, will show that stock at the company's three County Waterford plants was overvalued by up to 20 million Irish punts ($28.5 million).

In his brief statement, Mr. Hayes did not elaborate on what the accounting errors were. He joined the company in 1985.

Waterford hired Peat Marwick in January to conduct an independent review of the group's financial performance and, specifically, its crystal stock valuation. In recent years, Waterford, one of Ireland's best-known manufacturers and one of the country's largest employers, has suffered huge losses, mainly due to the weakening U.S. dollar, and has laid off one-third of the 3,000 employees in its crystal division.

Waterford, which acquired the British china maker, Wedgwood, last year, has been at the center of stock market speculation in the past two months, amid rumors that it may be itself a takeover target.

The former Waterford finance director, Anthony Brophy, and its chairman, Colm O'Connell, quit the board after an internal review "indicated accounting errors overstating the valuation of finished stocks and work in progress during 1988."

No legal action has been taken against them.

Waterford, where skilled glass blowers and engravers create every piece by hand, has been hit by adverse currency movements and a drop in the number of U.S. tourists to Ireland.

Unclear Economy Clouds Dollar Moves

By Carl Gewirtz

International Herald Tribune

PARIS — Dealers expect little action in the foreign-exchange market this week, at least not until Friday, when new economic data from the United States will provide a clearer picture on the likely direction of U.S. interest rates — the major prop supporting the dollar.

"No one has a clear idea what the current economic data is saying or what it may mean for U.S. inflation," said Chris Tinker, UBS-/Phillips & Drew's currency analyst in London.

There are no signs of an early letup in inflation worries; this means little chance of the Federal Reserve allowing interest rates to ease and raises some possibility of further increases. With any indications that the U.S. economy may finally be slowing, easing inflationary pressures could give the Fed room to ease its monetary stance.

Thus, until Friday's data on March wholesale prices and industrial production, Mr. Tinker said that, "there's no conviction in the market to take a firm view one way or the other."

There is a wild card in the deck, however: The mushrooming political crisis in Japan, which could drive Prime Minister Noboru Takeshita out of office. Werner Gerbig, chief dealer at Commerzbank in Frankfurt, said the political turmoil could cause the yen, which has appreciated sharply, to decline against the Deutsche mark.

Selling of yen for marks and subsequent dropping of the marks for the higher interest available in dollar instruments could cause the mark to weaken against the dollar.

The Japanese may also be preparing to move directly into the dollar, as analysts appear increasingly to view U.S. inflation fears as exaggerated and current American interest levels just about at the peak; this makes it opportune to begin buying high-yielding dollar-denominated securities.

"Expectations would seem to outweigh the actual threat of inflation," Nomura International economists advised clients last week. This means that "there is a strong likelihood that inflation and interest rates will reach their peak in the next few months and take a downturn in the second half."

Jim O'Neill, international economist for Swiss Bank Corp., concurred, saying, "not only is the economy slowing, but any inflationary pressures are very modest and will fade in line with economic growth."

There is no evidence yet to suggest investors are moving on that advice. Indeed, a sharp widening last week of yields on outstanding Eurodollar bonds against yields on U.S. government bonds was interpreted by analysts to mean that international investors see U.S. interest rates continuing to rise.

As for the currency outlook, the Salomon Brothers Inc. chartist, Steven Blitz, said the dollar currently is "in a large consolidation area."

He said chart patterns indicated that "the dollar looks as if it has made a multiyear accumulation pattern versus the mark and the yen. While that has bullish implications for the dollar, it has yet to break out to confirm the pattern."

He described the dollar as "dancing around the ceiling" and ultimately "it either drops to the floor or crashes through the ceiling. There are no strong technical indicators telling with confidence which way it will go."

He said the charts show the dollar will have difficulty climbing above 133.5 yen or 1.8850 DM. The dollar ended trading last week in New York at 132.75 yen and 1.8773 DM.

For the London chartist Simon Crane, the dollar is in a "neutral range" as long as it trades between 1.8650 and 1.8790 DM and is "vulnerable to test support levels of 1.8550 DM and 130.70 yen." But as long as the dollar holds above those support levels, "I still think it's right to be structurally long the dollar."

The British pound is expected to be the most volatile currency, analysts said. Mr. Blitz said the daily charts indicate that sterling "is building a base" that could carry it back up to $1.7300 from Friday's closing of $1.6950.

Neither Mr. Crane nor Mr. Tinker predicted sterling would move quite that high in the near future, but analysts concurred that the long-term trend of sterling was down against the dollar.

Treasury Bond Prices Decline on Confusing Data

Compiled by Our Staff From Dispatches

NEW YORK — U.S. bond prices edged lower last week as traders showed mixed feelings about the government's report Friday on March unemployment and looked ahead to a flood of economic data due out this week.

The Treasury's bellwether 30-year bond, the 8⅞ percent issue that matures in 2019, closed Friday at a price of 97 20/32, down from 97 23/32 a week earlier, pushing the yield up to 9.11 percent from 9.09 percent.

The government said Friday that the U.S. economy created 180,000 jobs in March, driving the jobless rate down 0.1 percentage point, to 5 percent, the lowest level in more than 15 years.

Most analysts had forecast a rise in unemployment to 5.2 percent with a 230,000 rise in payrolls.

The unexpected numbers tended to offset each other, leaving traders and investors confused. This was amply illustrated by the wild price swings in Treasury bonds that marked the first hour of trading after the report was released Friday.

"At first, everyone was confounded by the numbers because they were so out of line with Street expectations," one Treasury securities dealer said. "After prices bounced all over the place for an hour or so, the confusion gave way to extreme caution, which is another way of saying there were far more offers to sell Treasury paper,

U.S. CREDIT MARKETS

especially the longer Treasury maturities, than offers to buy."

Analysts previously said a nonfarm figure below expectations could signal an economic slowdown and reduce pressure on the Federal Reserve Board to raise interest rates, which have been boosted in the past year in an effort to resist growing inflationary pressures.

Although recent government data has reinforced perceptions the economy is slowing, many economists still see threats of inflation.

"Though the March employment report convinced still more doubters that an economic slowdown has developed, the market took profits and retreated on evidence of wage inflation and prospects for at best a stable Fed policy," said Philip Braverman, chief economist at Irving Securities.

But some economists maintained that the market, in its confusion, may have exaggerated the negative elements of the employment report.

"We understand the market's confusion, but we think the Street is taking an overly negative view of the employment data," said Irwin L. Kellner, chief economist at Manufacturers Hanover Trust Co.

"Of particular concern to the bond market was the 0.4 percent rise in average hourly wages last month. But the fact remains that since the latest economic expansion began in late 1982, wages have consistently lagged behind the rise in the cost of living."

Some of the caution Friday was attributed to the deepening fear that if so many economists were so far off target about the employment data, their predictions about the coming week's economic data may also open to question.

The economic indicators due out Friday are the producer price index for March and the February trade deficit, as well as March business inventory levels, industrial output and plant operating capacity.

The latest 10-year Treasury notes closed unchanged Friday at a price of 97 15/32, with a yield of 9.27 percent.

The federal funds rate, the interest banks charge each other on overnight loans and thus a key short-term indicator, ended at 9.75 percent, down from 10.00 percent a week earlier.

(UPI, NYT)

Treasury Bonds

April 7

Maturity	Close Bid	Close Ask	Yield	Wk.-ago yield
31.03.91	100 9/32	100 11/32	9.57	9.68
15.02.92	98 31/32	99 1/32	9.52	9.63
31.03.93	100 12/32	100 14/32	9.50	9.56
15.05.94	100 8/32	100 10/32	9.42	9.50
15.01.96	99 10/32	99 12/32	9.38	9.38
15.02.99	97 14/32	97 16/32	9.27	9.27
15.02.06	101 15/32	101 19/32	9.19	9.20
15.02.19	97 19/32	97 21/32	9.11	9.09

Source: Salomon Inc.

U.S. Consumer Rates

April 7

Tax Exempt Bonds	
Bond Buyer 20-Bond Index	7.56 %
Money Market Funds	
Donoghue's 7-Day Average	9.58 %
Bank Money Market Accounts	
Bank Rate Monitor Index	6.61 %
Home Mortgage, FHLB average	11.07 %

Source : New York Times.

Harrods Investigators Go to Egypt

Reuters

LONDON — Two British detectives have flown to Egypt to investigate alleged wrongdoing during the 1985 takeover of Harrods department store in London, police said Sunday.

A police spokesman said the officers left for Cairo on Saturday to gather evidence about the wealth and family background of the three Fayed brothers, who say they financed their £615 million ($1.04 billion) purchase themselves.

Last week, the trade and industry secretary, Lord Young, said an official report on the Egyptian purchase of House of Fraser PLC, which owns Harrods, "clearly disclosed wrongdoing."

Meanwhile, The Sunday Times said the Bank of England is monitoring the affairs of Harrods Bank, the banking business owned by House of Fraser.

Lonrho PLC, controlled by Roland (Tiny) Rowland, has alleged that the Fayed brothers misled authorities about the scale and source of funds used to purchase the group.

The Mail on Sunday newspaper said Lonrho would sue past and present government officials over their handling of the Harrods affair. It said claims could top £150 million.

"We will be seeking punitive damages," the Lonrho chairman, Sir Edward du Cann, was quoted as saying.

■ Arrow Would End Loan

Blue Arrow PLC is studying ways of recovering a £25 million ($42.4 million) loan made last December to a company controlled by the property developer, Peter de Savary.

The loan, payable in 1991, carries a nil rate of interest and is secured on a development property.

OBLI - FRANC

Société d'Investissement à Capital Variable

R.C. Luxembourg B 24 772

AVIS AUX ACTIONNAIRES

CONVOCATION

Nous vous prions de bien vouloir assister à l'Assemblée Générale Ordinaire de OBLI-FRANC, Société d'Investissement à Capital Variable, qui sera tenue au siège social, 10A, Boulevard Royal, Luxembourg,

le Mercredi 19 avril 1989 à 11 heures

et qui aura l'ordre du jour suivant:

1. Recevoir et adopter le rapport de gestion du Conseil d'Administration pour l'exercice clos au 31 décembre 1988.
2. Recevoir et adopter le rapport du Commissaire pour l'exercice clos au 31 Décembre 1988.
3. Recevoir et approuver les comptes annuels arrêtés au 31 décembre 1988.
4. Arrêter la répartition bénéficiaire de la Société.
5. Donner quitus aux Administrateurs et au Commissaire pour l'accomplissement de leur mandat jusqu'au 31 décembre 1988.
6. Renouveler le mandat des Administrateurs et du Commissaire pour un terme d'un an devant expirer à la prochaine Assemblée Générale Ordinaire des Actionnaires.
7. Ratifier la nomination par le Conseil Général du 30 juin 1988 de M. Bernard Gagelin au poste d'Administrateur en remplacement de M. Jean-François Palpied.
8. Divers.

Les actionnaires nominatifs inscrits au registre des actionnaires à la date de l'assemblée seront autorisés à voter ou à donner procuration en vue du vote.

Les procurations doivent parvenir au siège social au moins 24 heures avant la réunion.

La présente convocation et une formule de procuration ont été envoyées à tous les actionnaires inscrits au 3 avril 1989.

Des formules de procuration sont disponibles sur demande au siège social de la Société.

Pour avoir le droit d'assister ou de se faire représenter à cette assemblée, les propriétaires d'actions au porteur doivent avoir déposé pour le 12 avril 1989, leurs titres, soit au siège social de la Société, soit aux guichets d'un établissement bancaire.

Pour le Conseil d'Administration
J.Pierson
Directeur

KIO Said to Set Spanish Sales

Reuters

MADRID — The Kuwait Investment Office will sell its stakes in Banco Bilbao Vizcaya and Banco Popular Español, according to Spanish press reports.

The Spanish financial newspaper Cinco Dias reported Saturday that the Kuwaiti agency would agree with the banks' management a price for the sale of the stakes — each less than 1 percent. The newspaper did not identify the potential buyers and gave no price details. The Kuwaiti agency had no comment on the report.

The report follows a Kuwaiti announcement Friday that the agency would sell its stake in Banco Central to Construcciones y Contratas SA, the Spanish construction concern. The concern is contoled by Alberto Cortina and Alberto Alcocer, former investment partners of the Kuwaitis in the Spanish investment concern Cartera Central.

CHINA: *Reforms Vital*

(Continued from first finance page)

cial system and to tackle their modernization problems," Mr. Camdessus said.

"We have been invited to help them in reforming their monetary instruments, in particular by assisting the People's Bank of China in its adaptation to this new course of macroeconomic control, less direct control and much more indirect control," Mr. Camdessus said.

"The Chinese are extremely pragmatic people. They don't ask us to teach them how to be good socialists or good capitalists," Mr. Camdessus said.

Mr. Camdessus said he is not expecting Beijing to ask for IMF financing to help cope with their economic problems. "So far, they don't need direct financing from us," he said. "But we are at their disposal, as we are of all our members."

The IMF managing director said it is of "paramount importance" that the Chinese reforms succeed. "It is essential that these one billion people, one fifth of humanity, have sound, sustainable conditions of growth," he said.

BONDS: *Italy Deal Highlights Profitability Problems*

(Continued from first finance page)

a role in the market: Do they add liquidity to the market, or are they leeching profits?

Co-managers are supposedly the soldiers facilitating worldwide distribution of the issues initiated by the generals. The troops are often pressed into service by lead managers who threaten to withhold future invitations into deals, or by borrowers with whom they have relationships.

Brokers provide an essential service to these institutions, as a screen behind which they can hide their incapacity to sell their underwriting allotments. If the lead manager is stabilizing the price and dealing with the broker, co-managers — including members of the group of 60 — can expect to unload their holdings via the brokers at controlled losses and without revealing their identities.

With no price from the lead manager to the broker, the co-manager is faced with the choice of either suicide — openly reselling paper to the lead manager at a controlled loss — or agonizing death by selling to brokers at whatever loss can be negotiated.

Apart from raising the risk of losses to co-managers, which might force more to withdraw from the market altogether, there is also a danger that restricting the role of brokers will both reduce the transparency of new-issue prices and clog an important trading channel.

Even among the 60 generals, there is a strong feeling that the market needs the intermediation provided by brokers. The brokers add liquidity to a market whose major competitive handicap is its illiquidity, compared with government bond markets in the major financial centers.

No one disputes that the brokerage services have been abused or that co-managers too often act irresponsibly. Nor does anyone dispute that the fundamental problem is the ferocious competition among the 60 and their readiness to propose unrealistically generous terms to borrowers — a problem also as old as the market and for which no solution is in sight.

This reality was underlined by last week's issue for Italy — traditionally a client of S.G. Warburg & Co., which was rumored to have refused to organize such a large issue on the grounds it could not be sold. The issue is the largest recent offering in the sterling market apart from British government issues.

The rumor-mill says that Italy then approached CSFB, saying the bank could atone for its having short-changed the government on its currency swap linked to the $1 billion issue CSFB arranged last July by mounting a £400 million issue now.

The 25-year bonds are supposed to appeal to British institutional investors who are looking to replace a dwindling supply of British government debt. The offering terms, at 114 basis points above comparably dated gilts, were deemed tight. It currently appears that the operation will be a loss for the underwriters.

Given the size of the issue, the aversion to the name by some institutional investors, the differing and unfamiliar settlement procedures that gilt investors are accustomed to and CSFB's lack of clout with traditional gilt investors, critics said the terms needed to be more generous.

Euromarts At a Glance

Eurobond Yields

	Apr. 7	Mar. 31
U.S. $, 8 yrs & over	10.00	9.96
U.S. $, 5 to 7 yrs	10.13	10.17
U.S. $, less than 5 yrs	10.18	10.20
Pounds sterling, less than 5 yrs	11.76	11.71
French francs, less than 5 yrs	8.91	9.16
Ital. lire, less than 5 yrs	11.89	12.00
Danish kroner, less than 5 yrs	9.65	9.65
ECU, 8 yrs & over	8.84	8.82
ECU, 5 to 7 yrs	8.66	8.59
Can. $, less than 5 yrs	11.45	11.80
Aus. $, less than 5 yrs	15.84	15.73
N.Z. $, less than 5 yrs	13.78	13.85
Yen, 5 to 7 yrs	5.32	5.34
Yen, less than 5 yrs	5.30	5.12

Source: Luxembourg Stock Exchange.

Weekly Sales

April 7

Primary Market

	Cedel $	Cedel Non$	Euroclear $	Euroclear Non$
Straights	520.70	788.30	3,723.40	1,128.10
Convert.	—	52.00	—	1.90
FRNs	22.80	125.10	—	622.70
ECP	2,260.80	149.50	8,039.80	2,224.60
Total	2,803.50	1,104.90	11,763.20	3,977.30

Secondary Market

	Cedel $	Cedel Non$	Euroclear $	Euroclear Non$
Straights	3,472.30	5,945.20	9,682.70	7,088.40
Convert.	197.00	414.40	615.70	335.60
FRNs	830.50	1,374.70	3,199.10	2,774.40
ECP	2,257.50	1,145.00	4,432.30	982.20
Total	6,757.30	8,879.30	17,849.80	11,180.60

Source: Euroclear, Cedel.

Libor Rates

April 7

	1-month	3-month	6-month
U.S. $	10 1/16	10 5/16	10½
Deutsche mark	6⅛	6¼	6⅜
Pound sterling	12⅞	13⅛	13⅛
French franc	8 7/16	8⅝	8 13/16
ECU	8⅝	8¾	8⅞
Yen	4 7/16	4 11/16	4⅞

Source: Morgan Guaranty, Lloyds Bank, Reuters.

International Herald Tribune

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NASDAQ National Market

OTC Consolidated trading for week ended Friday. April 7

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	Div	Yld	Sales in 100s	High	Low	Close	Net Ch'ge
A&W Bd			5119	20¼	18¾	19⅞	+1
ABS	.96b	4.0	12	24	23	24	
ABQ			56	2¾	2⅝	2⅝	— ⅛
ACC Cp	.07e	1.6	426	4½	4⅛	4½	+ ⅜
ADC			3994	11⅞	11¼	11¾	+ ⅜
ADT			9307	26⅞	26	26⅝	+ ¼
AEL			143	7	6½	6¾	— ¼
AEP			1497	14	13½	14	+ ⅜
AIM Tel			161	4¼	3¾	3¾	
AIRCOA		2.5	2	4	4	4	+ ½
ALC h			8295	3⅝	3¼	3¼	+ ½
AME			183	10½	9¾	10	
ASK			8415	13¼	12¾	13¼	+ ¼
AST			4480	7½	6¾	7⅛	+ ⅜
AarnRt	.10	1.0	424	11	10½	10½	
AbingB	.28	3.5	65	8¼	7¾	8	+ ⅛
AbeLinc			145	18¼	17¾	18⅛	— ⅛
Abram s	.24	4.2	32	5¾	5½	5¾	
Acadin			2739	1⅝	1⅜	1⅜	+ ⅛
Accel	†		942	7¼	7¼	7½	— ⅛
Aceto	.14b		68	15½	15	15	— ½
ACMT			1	8½	8½	8½	— ½
AcmeSt	.05e	.2	2323	24¾	24¼	24¾	+ ½
ActARt s			754	18	17	17¾	+ ⅜
ActnSv	.32e	2.7	9	12¼	11¾	11⅞	— ⅛
ActAuSl			162	5¾	5½	5¾	+ ⅛
Actmed			1029	14¾	14⅛	14⅝	
Acxiom			256	14	13½	13¾	
AdacLb	.16	3.7	11063	4⅝	4⅛	4⅜	+ ⅛
Adage			1283	1½	1¼	1½	+ ½
Adapt			2746	6½	5½	6⅛	+ ⅝
Adingtn			1725	31⅝	30¼	31⅝	+1⅛
AdiaSv	.14	.6	420	23¼	21¾	22½	+ ⅞
AdobeS s	.091	.4	11285	22¾	21½	22½	+1

(Continued on next page)

هكذا من الأصل

Ueberroth Group Envisages Deal On Eastern Airlines by Tuesday

Compiled by Our Staff From Dispatches

BEVERLY HILLS, California — An investment group led by the former U.S. baseball commissioner, Peter V. Ueberroth, says it expects to work out a deal with Eastern Airlines' unions by a deadline set for Tuesday, enabling the group to acquire the bankrupt carrier.

"The Tuesday deadline is realistic," Mr. Ueberroth said Saturday at a press conference, "but it's not going to be easy." He also said any plan to bring Eastern out of bankruptcy would rely heavily on union participation.

But on Sunday, leaders of unions representing Eastern workers met to discuss the operating plans of the carrier's prospective new owners and continued questions about the viability of the buyers' plan.

Union officials said they wanted assurances that Mr. Ueberroth had a viable plan for restoring the airline to its prestrike service level and had no further plans to sell off Eastern assets.

Eastern's parent, Texas Air Corp., agreed Thursday to sell the carrier for $464 million to Mr. Ueberroth's group. Eastern is now in bankruptcy proceedings, virtually grounded since March 4, when mechanics walked off their jobs to protest treatment by Frank C. Lorenzo, chairman of Texas Air.

Donald J. Trump, the New York developer, has agreed to buy the Eastern shuttle service for $365 million; Eastern plans to sell its gates and service equipment in Philadelphia to USAir Corp. for $85 million.

Mr. Ueberroth declined comment on the possibility that Carl C. Icahn, chairman of Trans World Airlines, would enter the bidding for Eastern, other than to say that he respected Mr. Icahn as a good businessman.

On Friday, Texas Air sued Mr. Icahn, alleging he interfered with its agreement to sell Eastern.

But Mr. Ueberroth did not rule out the possibility of being outbid for the airline. "Lots of things could happen," he said. "We could be overbid." He added, "if there's a better place for this company, if the employees are better off somewhere else, we'll help them get there."

Meanwhile, as the unions and Mr. Ueberroth's representatives met in Washington, a federal judge in Manhattan ordered the workers and the strikebound airline to redouble their efforts to get more planes in the air.

Judge Burton R. Lifland, who is overseeing Eastern's bankruptcy protection, ordered lawyers into a private conference "to accommodate the urgent needs of the case," saying he had seen no reaction "to my request that these birds start to fly immediately."

Emerging half an hour later, Robert J. Rosenberg, a Ueberroth lawyer, said, "All heads were knocked together." Mr. Lifland has been pressing a speedy resumption of flights, saying he wants to protect public access to air travel. An operating airline is also more valuable to its creditors.

The unions' willingness to grant millions of dollars in wage and work-rule concessions by midnight Tuesday is considered the key to Mr. Ueberroth's putting together the deal to buy Eastern.

Representatives of the pilots union said earlier that they would make concessions in hopes of bringing Eastern out of bankruptcy.

However, the machinists are considered likely to be somewhat more skeptical than the pilots, having expressed hopes at one time that Mr. Icahn would buy Eastern; they believed the financially ailing carrier would be more competitive if aligned with another major airline. Eastern's flight attendants are also participating in the negotiations.

Mr. Icahn has made it known that he was interested in buying Eastern, but Mr. Lorenzo would not give him permission to talk to Eastern's unions, a critical prerequisite to a purchase. Texas Air's suit was an apparent attempt to ensure that Mr. Icahn is unable to buy Eastern out of bankruptcy court.

"Mr. Icahn and TWA are competitors of Eastern and they have every motive to try to scuttle these important discussions," a Texas Air spokesman, Art Kent, said, referring to the negotiations in Washington. "The delay, confusion and economic damage that Eastern would suffer could obviously provide the opportunity for Mr. Icahn to buy assets at bargain-basement prices."

Mr. Ueberroth said of Eastern, "this airline has not done well under several management groups because they've gone off on their own direction without the employees. We will not go off in our own direction without the employees."

(Reuters, LAT, NYT, AP)

Gulf & Western Plans Sale of Associates Unit

Reuters

NEW YORK — Gulf & Western Inc. on Sunday announced plans to sell its Associates Corp. of North America subsidiary and change its name to Paramount Communications Inc.

Gulf and Western said that proceeds from sale of the unit — a finance house with $13 billion in assets — will enable it to expand its core communications business.

The company said its new name will more clearly reflect its focus on communications and entertainment operations.

Gulf & Western, known for its Paramount Pictures, Television, and Home Video units, said its entertainment and publishing operations accounted for operating income of $431.8 million and revenues of $3.06 billion in the financial year ended Oct. 31, 1988.

"We have concluded that the current market dynamics and the financial and regulatory restraints inherent in our consumer/commercial finance business are incompatible with those of our entertainment and publishing operations," said Martin Davis, chairman and chief executive.

Davis to Press Ahead With Bid for NWA

United Press International

ST. PAUL, Minnesota — NWA Inc.'s board has rejected an unsolicited takeover offer of $2.6 billion from Marvin Davis, but the investor vowed not to give up.

Analysts agreed Friday with the airline that his $90-a-share bid was too low for the parent company of Northwest Airlines.

"Our board has carefully considered Mr. Davis's proposal," said the NWA chairman, Steve Rothmeier, "as well as numerous other financial and strategic alternatives available to NWA." He said Mr. Davis's proposal "does not fully reflect the value of NWA."

NWA directors said they made the decision with the advice of NWA's financial adviser, First Boston Corp.

Mr. Davis said he would not be deterred by the rejection. "We hope this can still be a friendly acquisition," a spokesman for him said. "But Mr. Davis intends to proceed regardless."

An airline analyst said the $90-a-share offer was too low. Northwest stock closed 50 cents lower, at $88.75, on the New York Stock Exchange on Friday before Northwest rejected the offer.

"I think Northwest stock will be headed higher," said Kurt Rivard of Dain Bosworth Inc. in Minneapolis. "I think a hostile takeover by Marvin Davis is going to be difficult. Trying to take over an airline without the help of management would be very difficult."

Mr. Rothmeier did not outline what steps the company would take to prevent a hostile takeover by Mr. Davis, who had promised to keep the concern intact and based in Minnesota without revealing how he planned to finance the deal.

A third party, reportedly including Gary Wilson, a former NWA director and chief financial officer of Walt Disney Corp., has bought a nearly 5 percent stake in NWA but has not made a bid.

WORLD STOCKS IN REVIEW / Via Agence France-Presse

Amsterdam

A flow of positive company results, including higher profits at Nationale-Nederlanden NV, Aegon NV and Pakhoed Holding NV, contributed to a small gain. The CBS index finished Friday at 175.40, up from 172.70 a week earlier.

Volume, depressed so far this year by reduced bond trading, improved markedly to 8.16 billion guilders from 4.62 billion the previous week.

The Kempen & Co. brokerage predicted the trends would continue.

Frankfurt

The return of foreign investors gave the market a boost, with prices rising over the week by an average 2 percent.

Strength on Wall Street and rising bond prices helped push the DAX index up 25.36 points on the previous Friday, to 1,348.02 points; the Commerzbank gauge jumped 31.6 points, to 1,678.5.

The eight stock exchanges reported turnover of 21.52 billion Deutsche marks, double the 10.57 billion the week before.

In the chemicals group, BASF rose 5 DM after reporting improved results; Hoechst and Bayer were unchanged. Department stores improved, with Horten rising 7.50 DM to 230 and Karstadt up 10.50 to 440.

The energy giant, RWE, jumped 24.50 DM to 266 after announcement of management changes, making it the week's best performer.

Banks did well, with Deutsche gaining 11.50 marks to 527.50 marks after reporting good results. Dresdner Bank jumped 9 to 324, and Commerzbank ended at 242.80 marks, up 2.10.

Hong Kong

Prices rebounded, but trading was described as dull and directionless. The Hang Seng index gained 19.11 points, to finish at 3,024.09 on Friday, while the broader-based Hong Kong gauge advanced 12.57, to 2,003.00.

Average daily volume shrank to 943 million Hong Kong dollars from 993 million. Dealers said support was found at the Hang Seng's 3,000-point level, noting that stocks were still trading at discounts to net asset values.

London

After a promising start, the market fell. Pessimistic comments from securities houses, a possible all-out dock workers strike and the weak presence of financial institutions weighed n sentiment.

News of merger talks between Beecham and the U.S. company SmithKline Beckham encouraged the market. But optimism did not last long, as fears of an interest-rate increase grew after the chancellor of the Exchequer, Nigel Lawson, warned that he would not tolerate a depreciation of the pound.

Big selling programs by major securities houses also depressed sentiment. Impressive results published by Pearson Group, Guinness and Reckitt & Colman PLC failed to boost sentiment.

Consolidated Gold Fields fluctuated around £14, the value of South African-backed Minorco's bid for the mining group. Minorco has until April 12 to make a better offer, and the market is anticipating the issue will go to around £16.

Milan

The Comit index fell to 603.79 on Friday from 608.32 a week earlier. The Mediobanca index fell to 275.73 from 278.22. Average daily volume was unchanged at 57 million shares, but average daily value was down from 185 billion lire to 170 billion lire.

Leading issues were irregular: Fiat lost 1.88 percent on the week and Generali, 1.95 percent. But Montedison rose by 1.37 percent after the announcement of good 1988 results, while Olivetti moved up by 1.50 percent; Pirelli by 1.06, and STET, 0.86 percent.

Mondadori jumped by 3.48 percent on rumors of a possible merger with the Expresso publishing group. Bank stocks were weak; Mediobanca dropped 1.66 percent.

Paris

The CAC index rose to 453.3 from 445.0 a week earlier. But trading was quiet, with many investors on vacation.

Analysts said operators remain worried about inflationary pressures and possibly higher interest rates, despite statements at the recent Washington monetary meetings that fears of a new round of inflation are unjustified. Investors say economic analysts appear not to share this view.

Singapore

Trading was subdued after a flurry of activity the previous week. Dealers said the market was due for a technical correction following its steady rise. There was profit-taking all week, with attention focused on Malaysian counters and lower-priced second-liners. Most stocks ended lower.

The Straits Times industrial index lost 3.12 points for the week,to end at 1,186.66, and the SES all-shares index fell 0.54, to 322.69.

Volume was down by about 15 percent, at 425.5 million shares.

Multi-Purpose Holdings topped the actives list; newly listed Steamers Maritime was third with volume of 15.5 million shares.

Tokyo

Prices continued to rise, with the two market indexes hitting record highs on Wednesday on investor anticipation of further advances with the start of the new fiscal year on April 1.

A six-day run of successive record highs for the Nikkei average of 225 blue chips lasted through Wednesday, when the TOPIX index of all common stocks also hit a new high.

However, the Nikkei suffered the year's second-biggest single-day loss Thursday, dropping 365.01. TOPIX lost 24.96 points.

Individual investors shrugged off the Recruit Co. scandal Friday, and the Nikkei moved 189.27 higher, to close out the week at 33,185.05 and with a 346.37-point weekly gain, following a 1,270-point rise the week before.

Bullish sentiment was triggered by a statement by the Group of Seven industrialized nations on exchange-rate stability. Japan's policy of expanding domestic demand was also reaffirmed at the G-7 meeting in Washington; analysts said this will result in further rises in domestic-demand-related issues, such as construction stocks.

Trading was active all week, with an average of 1.66 billion shares changing hands a day, up from 1.26 billion the week before.

The week's best performers were environmental-industry-related issues, led by Asahi Glass, which finished at 2,430 yen, up from 2,290 a week earlier.

A majority of analysts said that while there may be small corrections this week, the market is set to rise further.

Zurich

Demand for Swiss issues buoyed the market and the Crédit Suisse index rose to 570.2 from 561.2 the previous Friday. The Swiss Bank Corp. indicator advanced to 602.4 from 592. Both indexes are near record highs reached before the 1987 collapse.

Bank stocks made up some of the ground lost in previous weeks; Union Bank of Switzerland finished at 3,425 francs, up 195, and Crédit Suisse rose 100 to 2,995. Insurance companies also advanced on positive 1988 results: Compagnie de Réassurance bearer stock gained 225 to 9,750 and Zurich registered rose 130 to 4,200.

NASDAQ National Market

OTC Consolidated trading for week ended Friday.

(Continued)

Chicago Exchange Options

Figures as of close of trading Friday. April 7

Total Volume: 452,617
Open Interest: 4,541,256
r—Not traded. s—None offered. o—Old.

American Exchange Options

Figures as of close of trading Friday. April 7

Total Volume: 205,325
Open Interest: 2,735,808
r—Not traded. s—None offered. o—Old.

ACCOR

A HOTEL, CATERING AND SERVICE COMPANY

PROFITS UP BY 40.6%

On April 4th 1989 the Board chaired jointly by Mr Dubrule and Mr Pelisson approved the following results for 1988.

	Millions of Francs 1987	1988	Variance %
Group share of profit before exceptional items after taxes	334.3	469.5	+ 40.6
Including exceptional items	334.3	570.8	+ 70.8
Cash flow	941.4	1246.0	+ 32.4

– Since the creation of ACCOR in 1983 the Group Share of annual net consolidated results has grown by 38.4% per year.
– Earnings before exceptional items per share (based on the average number during the year) amount to F 29.22 compared with F 24.32 in 1987 representing an increase of 20.2% which exceeds our previously announced objectives (16%).
– The Group trading profit has increased from 6.8% in 1987 to 8.2% of consolidated sales.

Dividend

At the Annual General Meeting to be held on May 19th 1989 the Board will propose a dividend of F10.50 per share plus tax credit of F 5.25 which compares with F 8.50 plus F 4.25 tax credit for 1987.

Parent Company results

Net income of the Company ACCOR amounted to F 331,9 million compared with F 197.0 million in 1987.

Development and prospects

– During 1988 the different brands of the Group opened 97 hotels (9,600 rooms) and 290 public and contract catering outlets.
– The number of users of service vouchers has grown by 616,000 (+ 23.5%) with the value of vouchers issued growing by 33.3%.
– In the context of its international development ACCOR has signed agreements with excellent local partners in Italy, Spain, Portugal, Korea, India and in Japan.
– The Group's strong development will continue in 1989 in Europe and Asia. Results for the first quarter of 1989 are in line with the forecasts for the year.

1988 key numbers

– sales volume (F million) 16,393.3 compared with 14,618% in 1987 (12.2%),
– 62,000 persons employed in 58 countries,
– 773 hotels with 89,960 rooms (in operation or under construction),
– 2.409 public and contract catering outlets,
– world leader in the service voucher market with 677 million vouchers issued in 12 countries.

(Continued on next page)

MONDAY SPORTS

Masters Field Tightens; Crenshaw Up by a Stroke

Compiled by Our Staff From Dispatches

AUGUSTA, Georgia — Ben Crenshaw retained the lead as the weather-interrupted third round of the 53d Masters Tournament was completed on Sunday. But several players moved closer to him.

Crenshaw, who held a four-shot lead when play on the Augusta National Golf Club course was halted Saturday because of darkness, bogeyed the final hole after four straight pars to card a 70. His 54-hole total was 3-under-par 213, one stroke ahead of Scott Hoch and Mike Reid.

Hoch and Reid each began the day with a pair of birdies and both posted a 1-under 71.

Seve Ballesteros also made a move, producing three birdies on five of the course's water-logged holes as 14 players completed their third rounds in partly sunny weather.

Ballesteros finished with a 1-over 73 and was tied at par 216 with Ken Green, who had a 71, and Tom Kite, who shot 72.

Greg Norman, who finished the third round on Saturday in 68, and Mark O'Meara, who matched par, were tied at 217.

Nick Faldo of Britain, who had shared the lead with Lee Trevino when the third round began, bogeyed the first two holes on Sunday morning and finished with a five-over-par 77. *(See Scoreboard)*

Trevino had seven bogeys in 12 holes on Saturday. His attempt to get back on track Sunday fell apart when he bogeyd the last three holes.

A thunderstorm midadternoon Saturday forced suspension of play for one hour, 35 minutes, after the leaders had completed only seven holes.

"It was not really the weather," Trevino said Saturday. "I just had a bad day putting. I had 20 putts on the front nine and missed little ones on the 11th and 12th."

Crenshaw had birdied the second, fourth and seventh holes and was three in front of the field when he made the turn in 33.

A string of pars was good enough to extend that margin to four when Faldo three-putted the 11th for a bogey.

Faldo, the former British Open champion, said: "It was impossible to get into a rhythm with the wind, rain and delays."

Some of his adventures were typical of the day. He drove into a bunker on the first hole, played out, then put his third over the green. His first chip did not reach the putting surface. His next did and he one-putted for a double-bogey. On the second, a par-5, he drove against a tree, played his third shot one-handed and backhanded into the fairway, put his third on the green and dropped an across-the-green putt for a birdie.

More such putts didn't drop, however, and he was 3-over for the day when play was held up.

Ballesteros was within one stroke of the lead on the front side, but then bogeyed three in a row and was 4-over for the day.

Curtis Strange, the U.S. Open champion, got within two strokes of the lead, then dropped back with four straight bogeys. *(Reuters, AP)*

■ A Trevino-Faldo Seesaw

Trevino, who went into the second round Friday with a one-stroke lead over Faldo, fell behind by four and then made them up to manage a tie for the lead after the second round, The Associated Press reported.

Early-morning showers followed by gusty winds and cold held Trevino to a round of 74, Faldo to 73, and swept away the hopes of other would-be challengers.

AFP

Seve Ballesteros: sitting third.

Trevino hit a low point when he bogeyed the 10th hole, giving Faldo a four-stroke lead. But Faldo missed the green and bogeyed the 11th and Trevino had a a long birdie on the 12th.

Faldo's bogeys on the 16th and 17th put them even again going into the final hole, where Trevino's approach went 50 feet (about 15 meters) beyond the cup. Faldo played his second shot to a comfortable distance. Trevino retained a share of the lead with a brilliant putt to about a foot of the cup and tapped in for a par.

Ken Green's 69 was the best round of the day. He was tied with tie at 143 with Ballesteros, Crenshaw, Reid and Hoch.

■ Purse Is Fattened

Total prize money for the tournament will be increased to about $1.25 million, from $1 million last year, the Augusta National Golf Club announced Saturday. The winner's share will climb from $183,800 to $200,000.

Mark Cardwell/Agence France-Presse

Ben Crenshaw looked a birdie putt into the hole on Saturday.

Oilers Lead 2-1 Over Kings; Capitals and Canadiens Win

The Associated Press

Grant Fuhr had 25 saves and Jari Kurri scored two goals in 71 seconds in the second period as the Edmonton Oilers defeated the Los Angeles Kings, 4-0, Saturday night in Edmonton, Alberta.

The Oilers took a 2-1 lead in the best-of-seven series of the Smythe Division semifinals.

NHL PLAYOFFS

It was Fuhr's second career playoff shutout. His best save came midway through the second period when he stopped Wayne Gretzky, his former teammate, from close in.

Kurri scored his first goals of the playoffs, giving him a total of 81 career playoff goals, four behind the all-time leader, Mike Bossy, a former New York Islander.

"This was an important game for us and we came out and smoked them," said a former King, Jimmy Carson, who opened the scoring with his first playoff goal 15 minutes into the game.

Flames 4, Canucks 0: In Vancouver, British Columbia, Mike Vernon stopped 21 shots for his first career playoff shutout and Hakan Loob scored twice as Calgary took a 2-1 lead in their Smythe Division semifinal series. Vernon's best save came in the second period when Brian Bradley had worked his way in alone past Brad McCrimmon.

PATRICK DIVISION

Penguins 5, Rangers 3: Dan Quinn's goal and assist in the second period in New York helped Pittsburgh break open a close game and move on to take a three-game lead over the Rangers. Tom Barrasso rebounded from his shaky finish in Thursday night's game with 42 saves.

Capitals 4, Flyers 3 (OT): Kelly Miller's goal at 51 seconds into overtime in Philadelphia gave Washington a 2-1 lead in the series. Miller picked up the rebound of Mike Ridley's shot behind the goal, circled the net and carried the puck into the left circle. When Rick Tocchet slid past him, Ridley backhanded the puck off the stick of defenseman Kjell Samuelsson and over the right shoulder of goalie Ron Hextall.

ADAMS DIVISION

Canadiens 5, Whalers 4 (OT): Montreal took a 3-0 lead in the series when Stephane Richer scored from 10 feet (3 meters) on a backhand pass from Brian Skrudland at 5:01 of overtime in Hartford, Connecticut. A goal by Brad Shaw with 4:06 left in regulation time capped a fast-moving third period that saw five goals in a span of 11:44.

Bruins 4, Sabres 2: Cam Neely, after forcing Mike Foligno of Buffalo to take a penalty to stop a breakway, scored his second goal on a power play late in the third period to break a tie in Buffalo, New York. The Bruins lead the series, 2-1.

NORRIS DIVISION

Blues 5, North Stars 3: In Bloomington, Minnesota, Brett Hull's first goal capped a three-goal, first-period burst and his second thwarted a Minnesota attempt at a comeback as St. Louis moved to a 3-0 lead in the series.

Blackhawks 4, Red Wings 2: Chicago moved to a one game lead over Detroit after Denis Savard broke a 2-2 tie with a short wrist shot during a power play at 1:34 of the third period in Chicago.

SIDELINES

Waldner Wins Table Tennis Title

DORTMUND, West Germany (AP) — Jan-Ove Waldner beat fellow Swede Jorgen Persson, 21-17, 21-18, 20-22, 18-21, 21-10, to win the men's singles title Sunday at the World Table Tennis Championships. Waldner was the first European to win the title since 1975.

Earlier, Qiao Hong of China defeated Li Bun Hui of North Korea, 21-15, 21-12, 11-21, 21-16, for the women's title. Hong also teamed with Deng Yaping to win the women's doubles Saturday night.

In the mixed doubles final, Yoo Nam Kyu and Hyun Jung Hwa of South Korea, defeated Yugoslavia's Gordana Perkucin and Zoran Kalinic, 21-7, 21-13. West German's Jorg Rosskopf and Steffen Fetzner won the men's doubles.

Belgian Takes Paris-Roubaix Race

ROUBAIX, France (AP) — Jean-Marie Wampers of Belgium won the 87th Paris-Roubaix cycling race Sunday as two other Belgians took second and third place in the grueling one-day classic.

Wampers, riding for Panasonic, beat out Dirk De Wolf in the final sprint of the 265.5-kilometer (165-mile) race with a time of 6 hours, 46 minutes, 45 seconds. Edwig Van Hooydonck took third place.

The three were among six riders who broke away from the pack about 60 kilometers before the finish. France's Laurent Fignon, two-time winner of the Tour de France and one of the favored to win, abandoned the course at 230 kilometers after several punctured tires and a fall.

Warriors Gain NBA Playoff Berth

OAKLAND, California (AP) — Chris Mullin scored 33 points and Mitch Richmond 31 as the Golden State Warriors clinched a National Basketball Association playoff berth with a 122-116 victory over the Los Angeles Lakers Saturday night.

Australian Wins WBC Title and Quits

MELBOURNE (AP) — Jeff Fenech of Australia pounded out a unanimous 12-round decision over Marcos Villasana of Mexico to retain his World Boxing Council featherweight title Saturday night, then tearfully announced his retirement.

Fenech said he had injured the brittle hands that have caused him pain throughout his career during the fight and had abandoned plans to chase a record six titles in different divisions. Fenech said he had broken his left hand in the second round and injured his right midway through the fight.

In Yokohama, Japan, Kaosai Galaxy of Thailand retained his World Boxing Association junior bantamweight title Saturday with a 12-round unanimous decision over Japanese challenger Kenji Matsumura.

For the Record

Air Force won its second consecutive team title in the U.S. collegiate boxing championships on Saturday at the Air Force Academy in Colorado. Lock Haven State (Pennsylvania) and Army tied for second. *(AP)*

The International Basketball Federation on Saturday picked Belgrade as the site of the 1994 World Basketball Championships. *(AP)*

LEAGUES: *U.S. Pro Teams Seeking Markets Abroad*

(Continued from page 1)

alone, there's going to be an extraordinary amount to spend."

Names of foreign television companies like Scansat, Eurosport and Sky come as easily to American sports officials today as ESPN or NBC.

Beyond television, there is the imminent tumbling of the trade-barrier walls in 1992 that will create a broader European Common Market and could make it easier for American-based teams to do business overseas.

To wire into this new way of looking at sports, the professional leagues have reorganized their marketing divisions into global entities, and hired specialists with backgrounds in business and marketing and international relations.

The search for these new markets has become a virtual necessity.

The NFL, for example, once the prototype of a successful sports league, has reached the saturation point with its traditional way of increasing income: network television.

The league has not enjoyed an increase in American TV revenue for four years, while its payroll has ballooned to 65 percent of income.

But this fall, for the first time, the NFL will appear live on Sundays in England, where the telecasts will start at 6 p.m. and 9 p.m. There may be as many as two games, taking over the traditional evening time slots for snooker.

A pair of NFL teams has played in England the last three summers, each game drawing more than 70,000 fans.

A Vikings-Bears exhibition last year in Göteborg, Sweden, sold out and created a run on the aviator-style sunglasses favored by the Bears' quarterback, Jim McMahon.

And this summer, the league is preparing a satellite buff's dream of a true worldwide football event: three games within 24 hours, in England, Ohio and Japan, all on American television.

The overseas exhibitions will take place in August, with the Rams and the 49ers squaring off in Tokyo on ESPN, and the Browns facing the Eagles in London on NBC.

Meanwhile, the Redskins will face the Bills in the Hall of Fame Game in Canton, Ohio, on ABC.

"Our near-term goals are merchandise sales and increased television coverage," said Joe Rhein, the NFL's director of administration, who is helping to set up the game in Tokyo. "We want to increase our base overseas and feel that exhibition games are the best way to do it."

Although basketball is probably the most global sport outside of soccer, it still amazes Spalding that its top-selling T-shirt in Milan depicts the Original Boston Celtics basketball team.

Then again, with basketball publications named Super Basket in Italy, Basket 16 in Spain, and Maxi Basket in France, fans in Europe know all about the NBA.

Michael Ray Richardson, Artis Gilmore and Bob McAdoo, three whose time has passed in the United States, continue to star for European teams.

Stern, the NBA commissioner, is leading the way in internationalizing a league that enjoys having the world's 300 best basketball players.

He cautioned, however, that the European market is not going to be an immediate financial boon.

"The NBA will do $400 million worth of business this year," he explained. "How much can we make internationally? Five, six, seven million? Of course, it will increase in the coming years. It's difficult to estimate how much, but the one thing that's certain is that global companies are looking for international markets."

And the NBA is now, certifiably, a global company.

Fourteen NBA games will be televised in the Soviet Union next season. So far three sponsors have been lined up: MasterCard, Coca-Cola and Mars Inc., the candy people.

In the next Olympics, baseball becomes an official medal sport. And the new commissioner of major league baseball, A. Bartlett Giamatti, has a world view.

To implement the global reach baseball hopes for, he has brought in its first deputy commissioner, Fay Vincent is a former chief executive officer of Columbia Industries Inc., where he made movies, and was most recently with Coca-Cola.

"There's a market now for what we call the jewels of baseball: the All-Star Game, the World Series. We want to talk to the amateur baseball people. We want to attack it using their enormous clout around the world."

The St. Louis Cardinals are going to Europe later this year for a series of exhibitions. There has also been, he said, "a fair amount of talking to the Russians."

Carnage of Steeplechase Has England in an Uproar

The Associated Press

LIVERPOOL — The deaths of two horses in Saturday's Grand National steeplechase have prompted calls for a reduction in the field and for parts of the grueling Aintree course, including the feared Becher's Brook fence, to be reshaped.

Little Polveir, a 28-1 outsider ridden by Jimmy Frost, won the race over the famous 4½-mile track.

But the winner's celebrations were soured by fatal injuries to two horses.

Britain's well-respected Royal Society for the Protection of Cruelty to Animals said it would be pressing the Jockey Club, the sport's governing body, to redesign sections of the course before next year.

Two horses were destroyed after falling at Becher's, the sixth fence, and rolling back into brook where they were trapped in agony.

Irish-trained Seeandem was so badly hurt that it was destroyed at the scene. Brown Trix was saved from drowning by an RSPCA helper who held the horse's head out of water as other rescuers dragged it clear with ropes.

Brown Trix was taken back to the stables by ambulance but was destroyed after a veterinarian found a broken shoulder.

Agence France-Presse

Jockey Tom Taafe is dragged by Sergeant's Sprite at the infamous Becher's Brook fence.

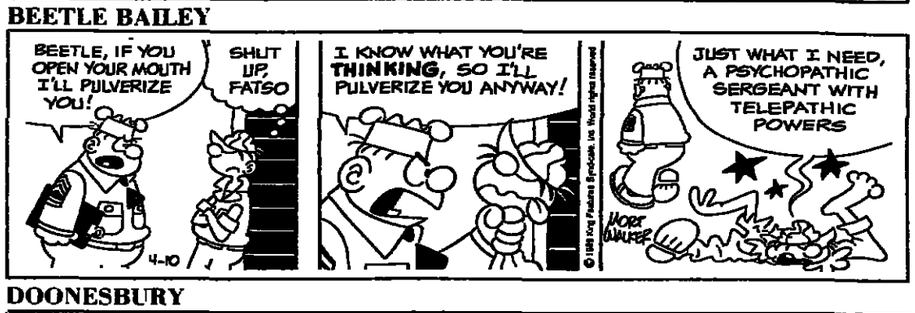
DENNIS THE MENACE

"BOY! WE'RE A PEACH OF A PAIR, HUH, MR. WILSON?"

PEANUTS

BLONDIE

BEETLE BAILEY



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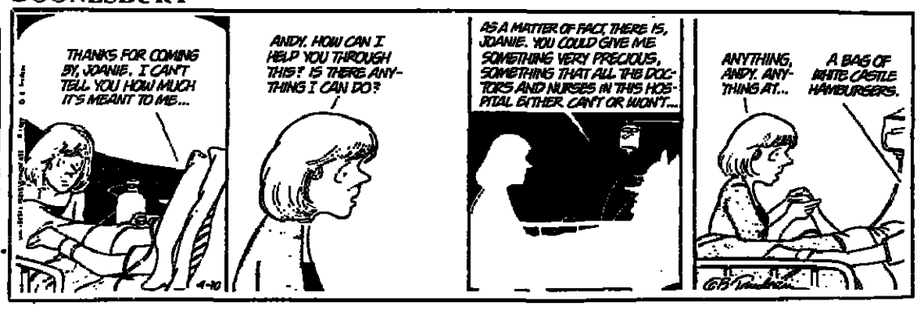


ANDY CAPP

WIZARD of ID

REX MORGAN

GARFIELD

JUMBLE® THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

APITO

FARIE

DIOING

TRAFOC

WHAT THE FISHING ENTHUSIAST WAS.

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: A "____-____"

(Answers tomorrow)

Saturday's Jumbles: RANCH FAULT HEARSE LIMPID
Answer: What that precociously bright baby was— A FLASH IN THE "PRAM"

The Global Newspaper.

MONDAY SPORTS

Rose Bet on Reds, Ex-Associate Said to Allege

The Associated Press

CINCINNATI — A former associate of Pete Rose has told investigators for the commissioner's office that he placed bets for himself and Rose on baseball games, including Reds games, according to a newspaper report Sunday.

On Saturday, other newspaper reports said that Rose, the manager of the Cincinnati Reds baseball team, was being investigated by the Internal Revenue Service for tax evasion and gambling.

The Plain Dealer newspaper in Cleveland reported Sunday that Paul Janszen, who is serving time in a halfway house for income tax evasion, was unable to give investigators proof that Rose himself had made a bet and that investigators were trying to find evidence to substantiate the allegations.

The commissioner's office is investigating Rose's alleged gambling. If found to have bet on baseball games, he would be suspended for a year. If found to have bet on Reds games, he would be suspended for life.

The Plain Dealer quoted unidentified sources as saying that some documents were provided in support of the gambling allegations, including copies of canceled checks from Rose to Janszen.

Janszen met with investigators last week in Cincinnati and said he had acted as a middleman who phoned in bets for himself and Rose, the newspaper said. Janszen said the bets were made with bookies in New York and Ohio, and involved Reds games.

Janszen said Rose phoned him from visiting team clubhouses during Reds road trips early in the 1987 season to place bets.

The reports Saturday said that federal investigators believe Rose may have owned part of a winning ticket at Turfway Park in Kentucky that was cashed by Thomas Gioiosa, who once lived with Rose's family and who was indicted Thursday in Cincinnati on tax and drug charges. Rose has denied any connection with the ticket.

Responding to articles in The Dayton Daily News and The Cincinnati Post, Rose said he was cooperating with investigators.

"They've got my tax records," he said. "I pay a lot of taxes. I'm not trying to hide anything from the government."

The Post quoted unnamed sources as saying that the IRS began investigating Rose last year after federal agents infiltrated a major gambling and drug trafficking ring in Ohio.

"We're talking about large-scale gambling," The Post quoted a federal source as saying. Rose had not reported all his winnings, the source added.

Edberg, Becker and Steeb Prevail To Bar Upsets in Davis Cup Play

Paul Richards/Reuters-UPI

Ken Flach of the United States returning a serve Saturday as he and teammate Robert Seguso defeated France's Yannick Noah and Guy Forget in doubles. The United States team will advance.

Compiled by Our Staff From Dispatches

Sweden defeated Austria, 3-2, on Sunday to advance to the Davis Cup World Group semifinals after Stefan Edberg overpowered Horst Skoff, 6-3, 6-1, 6-1, in Vienna.

In the second singles match, Alexander Antonitsch of Austria upset Mats Wilander, 6-3, 7-5.

Sweden next meets Yugoslavia, which on Saturday defeated Spain in their quarterfinal in Split, Yugoslavia.

Edberg, who took 1 hour and 23 minutes to subdue Skoff, controlled the match throughout. Skoff upset Mats Wilander on Friday in a marathon that lasted more than 6 hours and also played in the doubles on Saturday.

In the third set, the Austrian, visibly exhausted, was helpless against Edberg's powerful serve and sharp returns.

It was Edberg's third victory over Skoff in six weeks.

After moving into a 1-1 tie on Friday, Edberg and Anders Jarryd beat Skoff and Antonitsch, 6-3, 6-1, 6-3, in a doubles match to give Sweden the lead.

For full worldwide Davis Cup results, see Scoreboard.

West Germany 3, Czechoslovakia 2: In Prague, Carl-Uwe Steeb of West Germany beat Karel Novacek, 6-3, 6-4, 6-4, and Boris Becker beat Milan Srejber, 6-3, 6-4, 6-3, to give defending champion West Germany the quarterfinals victory.

West Germany now plays the United States, which defeated France, in the semifinals.

Steeb control early by breaking Novacek in the fourth game of the first set for a 3-1 lead. Novacek, ranked 73d in the world, survived a break point in the sixth game to hold service. Steeb, who lost to Srejber on Friday, made no mistakes on his service and wrapped up the set.

In the second set, Steeb and Novacek traded breaks as the score went to 4-4. Steeb then used his double-fisted backhand returns to break Novacek in the next game. The break decided the second set.

Becker, ranked fourth in the world, began in devastating style. He broke Srejber in the second game with two blistering returns and then went on to blast service winners, often scoring even with his second serve, and needed only 31 minutes to grab the opening set.

On Saturday, the Czech team took a 2-1 lead in the series when Srejber and Petr Korda beat Becker and Eric Jelen, 6-3, 6-7 (2-7), 3-6, 7-6 (9-7), 6-3, in a doubles match that lasted 3 hours, 47 minutes.

United States 3, France 0: In San Diego, the doubles team of Ken Flach and Robert Suguso clinched a quarterfinals victory on Saturday by beating Yannick Noah and Guy Forget, 6-2, 7-6 (7-4), 4-6, 7-6 (7-3).

Seguso used a strong serve to shut down Forget and Noah on consecutive points to take a 6-3 lead in the final tiebreaker. On the next point, Seguso put a shot away at the net for the win.

On Friday, John McEnroe defeated Noah and Andre Agassi beat Henri Leconte.

In singles play Sunday, McEnroe was to play Henri Leconte in the first match and Agassi was to meet Noah.

To open the second set, the United States had four break points on Noah's serve but France prevailed in the game that lasted 12 points. In the tiebreaker, Flach and Seguso took a 3-2 lead when Seguso hit a winning crosscourt return off Forget's serve, starting a string of three straight points for the United States.

Yugoslavia 4, Spain 1: In Split, Goran Ivanisevic defeated Javier Sanchez, 7-5, 6-1, on Sunday, while Spain avoided a shutout when Sergio Casal beat Slobodan Zivojinovic, 7-6, 1-6, 6-3.

The Yugoslav team had taken a 3-0 lead in the series by winning the doubles match on Saturday. Zivojinovic and Ivanisevic had a total of 27 aces as they stopped Sanchez and Casal, 4-6, 6-4, 4-6, 7-6, 13-11, in a four-hour match.

(AP, Reuters)

Mariners Sour Abbott's Debut for Angels

Compiled by Our Staff From Dispatches

Jim Abbott of the California Angels had a shaky debut as the first one-handed pitcher in modern major league baseball history on Saturday in Anaheim, California, giving up six runs and allowing the Seattle Mariners to win the American League game, 7-0.

SATURDAY BASEBALL

Abbott, 21, who was born with no right hand, allowed two runs in the first inning. He also gave up four in the fifth, but only one of those was earned, after Angel second baseman Mark McLemore made an error on a potential inning-ending double play.

Abbott, a star on the U.S. Olympic baseball team, pitched 4⅔ innings before he was removed and was given a standing ovation by the crowd of 46,847.

Abbott holds his glove on his handless arm and then shifts it to his left hand as soon as he releases. "There was definitely some nervousness, no doubt about it," he said. "I'm a little disappointed that things didn't go a little bit better."

After Reynolds and Henry Cotto opened with singles, Abbott threw a wild pitch and Alvin Davis and Darnell Coles followed with run-scoring grounders.

In the fifth, Omar Vizquel led off with a single and second baseman McLemore's error put runners on second and third.

Cotto was walked to load the bases and Davis got a two-run single on a 0-2 pitch. Coles, whose RBI grounder made it 5-0, got a tremendous jump on Abbott and stole second before Leonard singled him home for another run.

Douglas C. Pizac/The Associated Press

Jim Abbott got a standing ovation as he left the game in Anaheim.

White Sox 7, Athletics 4: Ivan Calderon hit his first career grand slam, souring Mike Moore's pitching debut with the Athletics in Oakland, California. Moore, who spent seven season with the Seattle Mariners, walked seven and gave up nine hits and five runs in 5⅓ innings.

Calderon hit his grand slam homer in the sixth after Moore had walked Ozzie Guillen and Dave Gallagher and reliever Rick Honeycutt had walked Harold Baines.

Brewers 5, Tigers 2: In Detroit, Dave Engle, who made the Milwaukee team as a nonroster player in spring training, homered for the second time since 1985 and drove in three runs.

Rob Deer, Glenn Braggs and Engle singled to open the second. Frank Tanana walked Joey Meyer on a 3-2 pitch to force in Deer and Braggs scored on Juan Castillo's fly.

Royals 2, Red Sox 1: In Kansas City, Missouri, Jim Eisenreich singled in the winning run in the 10th inning as Kansas City won its fourth straight and Boston opened the season with four consecutive losses for the first time since 1977.

Indians 11, Yankees 1: Felix Fermin singled home the game's first two runs in the fifth and capped a five-run sixth with another two-run single in New York. Steve Sax had his first American League homer, in the sixth.

Twins 6, Orioles 5: Dan Gladden doubled to break a seventh-inning tie in Minneapolis as Minnesota rallied from a four-run deficit.

Baltimore scored five runs in the second to take a 5-1 lead. Gary Gaetti hit a solo homer in the bottom of the inning, and Kent Hrbek tied the game with a three-run homer in the third.

Rangers 5, Blue Jays 4: Jamie Moyer, making his debut with Texas, struck out 13 in Arlington, Texas. After the Blue Jays tied the game in the fifth, Jeff Kunkel hit a double into the left-field corner to give the Rangers a 4-2 lead. Scott Fletcher tripled in the sixth and scored the Rangers' fifth run on Ruben Sierra's sacrifice fly.

Expos 3, Mets 2: In a National League game in Montreal, Spike Owen hit a sacrifice fly in the seventh to break a 1-1 tie and Tim Wallach doubled in a run in the eighth to give the Expos their third straight victory.

Cubs 5, Pirates 3: In Chicago, Domingo Ramos hit a two-run homer and Ryne Sandberg drove in two runs with a single and a double to give Don Zimmer, the Cubs manager, his 700th career victory against 687 losses.

Phillies 5, Cardinals 4: Mike Schmidt doubled and then scored on Ricky Jordan's 11th-inning single in Philadelphia as the Phillies won their first home opener since 1984.

Astros 6, Padres 2: Jim Clancy, making his debut with Houston after 11 years with the Toronto Blue Jays, allowed only six hits in 8⅓ innings and struck out eight. He allowed a run in the fifth when Garry Templeton and Walt Terrell doubled and another in the ninth when Marvell Wynne homered.

(Reuters, AP)

Indians Defeat Yankees, 4-3

The Associated Press

Tom Candiotti allowed four hits in seven innings and Pete O'Brien hit his first homer of the season as the Cleveland Indians defeated the New York Yankees, 4-3, in an American League baseball game Sunday to complete a three-game sweep.

SUNDAY BASEBALL

Candiotti struck out four and walked two to win his eighth straight decision. He allowed a run in the third when Rickey Henderson walked with two outs, stole second and then scored on Steve Sax's single.

The Yankees rallied for two runs in the eighth off relievers Keith Atherton and Scott Bailes. Roberto Kelly walked and Henderson was safe on an error. Sax singled to score to make it 4-2 and Bailes relieved.

Don Mattingly then hit a grounder up the middle that was deflected by second baseman Jerry Browne for a double to score Henderson. After pinch-hitter Steve Balboni was intentionally walked to load the bases, Doug Jones relieved and struck out pinch-hitter Jamie Quirk and got Mike Pagliarulo to fly out. Jones then retired the side in the ninth.

Orioles 8, Twins 1: In Minneapolis, Frank Viola allowed a three-run homer to Randy Milligan and two-run homer to Cal Ripken.

The Orioles took the lead in the first when Phil Bradley tripled, Mike Devereaux walked and Milligan homered to left-center field with two outs.

Padres 5, Astros 4: In a National League game in Houston, Tony Gwynn drove in two runs and Jack Clark added a two-run single as San Diego rallied in a game that featured a triple play in the eighth by the Padres.

With Kevin Bass on second and Greg Gross on first, Ken Caminiti hit a ground ball to third baseman Luis Salazar who threw to Alomar at second, forcing Gross. Alomar threw to Clark at first to get Caminiti for the second out. Clark then threw to catcher Mark Parent who tagged out Bass, attempting to score from second on the play.

With the score tied 4-4, Alomar led of the fifth with a single off Mike Scott, stole second and moved to third on a fly ball before Gywnn hit a double into the gap in right-center field.

Mets 2, Expos 1: In Montreal, Kevin Elster doubled home the tie-breaking run with one out in the ninth inning and Dwight Gooden allowed three hits over eight as New York averted a three-game sweep.

Cardinals 15, Phillies 3: In Philadelphia, Pedro Guerrero and Jose Oquendo drove in four runs each to lead a 19-hit attack as St. Louis scored its most runs in a game in two years. Guerrero hit a three-run homer to lead St. Louis and has 10 RBI in the Cardinals' first four games.

Giants 9, Reds 1: In Cincinnati, Matt Williams hit a grand slam for his first hit of the season, lining a pitch from Danny Jackson over the left-field wall to put San Francisco in command in the first inning.

Cubs 8, Pirates 3: Rick Sutcliffe pitched a seven-hitter and struck out 11 as Chicago swept a three-game series at home. Domingo Ramos, Ryne Sandberg and Mark Grace drove in two runs each for the Cubs.

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE

East Division	W	L	Pct.	GB
Cleveland	3	1	.750	—
Baltimore	2	2	.500	1
Milwaukee	2	2	.500	1
Toronto	2	3	.400	1½
Detroit	1	3	.250	2
New York	1	4	.200	2½
Boston	0	4	.000	3
West Division	**W**	**L**	**Pct.**	**GB**
Chicago	4	1	.800	—
Kansas City	4	1	.800	—
Minnesota	4	1	.800	—
Texas	3	1	.750	½
Oakland	3	2	.600	1
California	2	3	.400	2
Seattle	1	4	.200	3

NATIONAL LEAGUE

East Division	W	L	Pct.	GB
Montreal	4	1	.800	—
Philadelphia	3	1	.750	½
Chicago	3	2	.600	1
St. Louis	1	2	.333	2
New York	1	3	.250	2½
Pittsburgh	1	4	.200	3
West Division	**W**	**L**	**Pct.**	**GB**
Atlanta	3	1	.750	—
Cincinnati	3	1	.750	—
San Francisco	2	2	.500	1
Houston	2	3	.400	1½
San Diego	2	3	.400	1½
Los Angeles	1	3	.250	2

FRIDAY'S RESULTS

AMERICAN LEAGUE

Milwaukee 010 000 200—3 7 2
Detroit 000 200 25x—10 9 0
Wegman, Mirabella (7), Crim (8) and Surhoff; Alexander, Hernandez (8) and Nokes. W—Alexander, 1-0. L—Wegman, 0-1. Sv—Hernandez (1). HRs—Milwaukee, Deer (1), Braggs (1). Detroit, Nokes (1).

Cleveland 300 000 010—4 7 0
New York 000 000 003—3 6 1
Yett, Orosco (9), Jones (9) and Allanson; Candelaria, McCullers (8) and Quirk. W—Yett, 1-0. L—Candelaria, 0-1. Sv—Jones (2). HR—Cleveland, Carter (1).

Baltimore 000 020 001—3 7 1
Minnesota 000 006 20x—8 14 0
Milacki, Olson (6), Thurmond (8) and Melvin; R.Smith, Berenguer (7), Wayne (9) and Harper. W—R.Smith, 1-0. L—Milacki, 0-1.

Boston 000 003 131—8 11 2
Kansas City 003 101 004—9 12 2
Boyd, B.Stanley (6), L.Smith (9), Lamp (9) and Cerone, Gedman (8); Bannister, T.Gordon (7), Gleaton (8), Montgomery (8) and Boone. W—Montgomery, 2-0. L—L.Smith, 0-1. HRs—Boston, Rice (1), Burks (1), Greenwell (3).

Toronto 151 010 110—10 14 1
Texas 205 200 000—9 10 1
Musselman, Wells (3), T.Castillo (7), Henke (9) and Whitt, Borders (5); B.Witt, Arnsberg (3), Rogers (5), Guante (7) and Sundberg. W—T.Castillo, 1-0. L—Guante, 1-1. Sv—Henke (2). HRs—Toronto, Fernandez (1), Gruber (1).

Seattle 001 000 000—1 5 0
California 100 000 10x—2 7 0
Hanson, M.Jackson (7) and Valle; McCaskill, Petry (8), Harvey (8) and Parrish. W—McCaskill, 1-0. L—Hanson, 0-1. Sv—Harvey (1).

Chicago 000 003 040—7 8 0
Oakland 000 000 010—1 5 0
Long, B.Jones (6) and Fisk; C.Young, Nelson (6), Cadaret (8), Plunk (8) and Steinbach. W—Long, 1-0. L—C.Young, 0-1. Sv—B.Jones (1). HR—Oakland, McGwire (3).

NATIONAL LEAGUE

Pittsburgh 000 302 000—5 6 2
Chicago 040 002 00x—6 14 2
Dunne, Taylor (5), Landrum (7) and LaValliere; Sanderson, S.Wilson (6), Schiraldi (7), Mi.Williams (9) and Girardi. W—S.Wilson, 1-0. L—Taylor, 0-1. Sv—Mi.Williams (2).

Los Angeles 000 100 000—1 4 2
Atlanta 001 030 11x—6 9 1
Valenzuela, Crews (7) and Scioscia, Dempsey (7); Glavine and J.Davis. W—Glavine, 1-0. L—Valenzuela, 0-1.

New York 000 100 002—3 7 1
Montreal 034 000 00x—7 8 1
Darling, Aguilera (3), Fernandez (5), Leach (7) and Carter; K.Gross, McGaffigan (9) and Santovenia. W—K.Gross, 1-0. L—Darling, 0-1. HR—Montreal, Santovenia (1).

San Diego 200 002 100—5 10 2
Houston 101 000 001—3 9 1
Rasmussen, Mc.Davis (9) and Santiago; Rhoden, Darwin (7) and Biggio, Trevino (7). W—Rasmussen, 1-0. L—Rhoden, 0-1. Sv—Mc.Davis (2).

San Francisco 100 000 010 000 010 0—3 11 1
Cincinnati 020 000 000 000 010 1—4 15 0
Garrelts, Lefferts (7), LaCoss (8), Hammaker (10), Brantley (12), Price (14) and Kennedy, Manwaring (8); Rijo, Charlton (8), Dibble (8), Tekulve (10), Franco (12), Birtsas (14) and Reed, McGriff (12). W—Birtsas, 1-0. L—Price, 0-1.

(St. Louis at Philadelphia, ppd., rain)

SATURDAY'S RESULTS

AMERICAN LEAGUE

Milwaukee 020 101 001—5 6 1
Detroit 100 100 000—2 4 4
August, Mirabella (7), Plesac (9) and O'Brien; Tanana, Williams (6), Henneman (9) and Nokes. W—August, 1-1. L—Tanana, 0-1. Sv—Plesac (1). HRs—Milwaukee, Engle (1). Detroit, Whitaker (1).

Boston 000 000 100 0—1 9 0
Kansas City 000 000 100 1—2 5 1
Clemens, Murphy (9) and Gedman; Gubicza, Gordon (8), Aquino (10) and Macfarlane. W—Aquino, 1-0. L—Murphy, 0-1. HR—Kansas City, Jackson (1).

Chicago 011 104 000—7 13 0
Oakland 000 002 020—4 12 1
Perez, Rosenberg (6), Thigpen (8) and Karkovice; Moore, Honeycutt (6), Eckersley (9) and Hassey. W—Perez, 1-0. L—Moore, 0-1. HRs—Chicago, Calderon (2). Oakland, Parker (2).

Toronto 000 021 001—4 5 2
Texas 020 021 00x—5 6 1
Key, Stottlemyre (6) and Borders; Moyer, Russell (9) and Sundberg. W—Moyer, 1-0. L—Key, 1-1. Sv—Russell (2). HR—Toronto, Borders (2).

Cleveland 000 025 202—11 15 0
New York 000 001 000—1 7 1
Swindell, Havens (8) and Allanson; Leiter, Mohorcic (6), Guetterman (7), Dotson (9) and Slaught. W—Swindell, 2-0. L—Leiter, 0-1. HRs—Cleveland, Snyder (1). New York, Sax (1).

Baltimore 050 000 000—5 11 0
Minnesota 113 000 10x—6 8 0
Schmidt, Thurmond (3), Holton (7) and Tettleton; Toliver, Cook (3), Gonzalez (6), Reardon (8) and Laudner, Harper (8). W—Gonzalez, 1-0. L—Holton, 1-1. Sv—Reardon (1). HRs—Minnesota, Gaetti (1), Hrbek (1).

Seattle 200 040 100—7 9 1
California 000 000 000—0 6 2
Langston and Valle; Abbott, Petry (5) and Schroeder. W—Langston, 1-1. L—Abbott, 0-1.

NATIONAL LEAGUE

New York 000 000 101—2 4 1
Montreal 000 010 11x—3 8 2
Cone, Myers (7), McDowell (8) and Lyons; Smith, Harris (6), Hesketh (8), Burke (9) and Santovenia, Fitzgerald (8). W—Harris, 1-0. L—Cone, 0-1. Sv—Burke (1).

Pittsburgh 020 000 100—3 5 1
Chicago 000 301 10x—5 6 1
Heaton, Medvin (6), Kipper (7) and LaValliere; Bielecki, S.Wilson (7), Schiraldi (8) and Girardi. W—Bielecki, 1-0. L—Heaton, 0-1. Sv—Schiraldi (1). HRs—Pittsburgh, G.Wilson (1). Chicago, Ramos (1).

San Diego 000 010 001—2 6 2
Houston 010 131 00x—6 11 0
Terrell, Leiper (5), Booker (7) and Santiago; Clancy, Agosto (9) and Ashby. W—Clancy, 1-0. L—Terrell, 0-1. HR—San Diego, Wynne (2).

St. Louis 010 030 000 00—4 10 1
Philadelphia 020 000 020 01—5 9 1
Terry, Dayley (8), Worrell (8), Costello (11) and Pena; Carman, McWilliams (6), Parrett (9) and Daulton. W—Parrett, 1-0. L—Costello, 0-1. HRs—St. Louis, Brunansky (1). Philadelphia, Daulton (2), Hayes (1).

(San Francisco at Cincinnati, ppd., rain)
(Los Angeles at Atlanta, ppd., rain)

CRICKET

India vs. West Indies
(In Bridgetown, Barbados, Day 1, Friday)
1st innings: India 281-7.
(Day 2, Saturday)
1st innings: India 321 (all out); West Indies 246-5.

HOCKEY

NHL Playoffs

SATURDAY'S RESULTS

Washington 1 1 1 1—4
Philadelphia 1 1 1 0—3
First Period—1, Philadelphia, Tocchet 1 (Howe, Kerr), 5:19 (pp). 2, Washington, Rouse 1 (Courtnall, Hunter), 8:16. Second Period—3, Philadelphia, Mellanby 1 (Sutter, Wells), 13:47. 4, Washington, Leach 1 (Ridley, Stevens), 16:15 (pp). Third Period—5, Philadelphia, Propp 4 (Tocchet, Sutter), 5:30. 6, Washington, Gustafsson 1 (Ciccarelli, Johansson), 12:15 (pp). Overtime—7, Washington, Miller 1 (Pivonka, Ridley), :51.
Shots on goal: Washington (on Hextall) 15-12-14-3—44; Philadelphia (on Peeters) 10-7-7-0—24.

Montreal 0 1 3 1—5
Hartford 1 1 2 0—4
First Period—1, Hartford, Jennings 1 (Bobych, Francis), 17:09 (pp). Second Period—2, Hartford, Dineen 1 (Evason, Quenneville), :56. 3, Montreal, Smith 3 (Naslund, Chelios), 10:47. Third Period—4, Montreal, Courtnall 1 (Carbonneau), 4:10. 5, Montreal, Dufresne 1 (Courtnall, Carbonneau), 4:38. 6, Hartford, Evason 1 (Tippett, Samuelsson), 12:52 (sh). 7, Montreal, Carbonneau 1, 15:28. 8, Hartford, Shaw 1 (Bobych, Turgeon), 15:44. Overtime—9, Montreal, Richer 1 (Skrudland, Corson), 5:01.
Shots on goal: Montreal (on Sidorkiewicz) 5-10-9-4—28; Hartford (on Hayward) 10-5-10-2—27.

Boston 1 0 3—4
Buffalo 0 0 2—2
First Period—1, Boston, Burridge 1 (Crowder, Shoebottom), 16:53. Second Period—None. Third Period—2, Boston, Neely 2 (Janney), 5:45. 3, Buffalo Vaive 2 (Andreychuk), 8:00 (pp). 4, Buffalo, Housley 1 (Turgeon, Vaive), 10:27. 5, Boston, Neely 3 (Hawgood, Janney), 14:54 (pp). 6, Boston, Sweeney 1, 19:59 (en).
Shots on goal: Boston (on Cloutier) 9-10-9—28; Buffalo (on Moog) 14-15-9—38.

Calgary 0 2 2—4
Vancouver 0 0 0—0
First Period—None. Second Period—1, Calgary, Loob 2 (Roberts, Nieuwendyk), 2:04. 2, Calgary, Nieuwendyk 1 (Fleury), 11:24 (pp). Third Period—3, Calgary, Mullen 2 (Macoun, Patterson), 1:42. 4, Calgary, Loob 3 (Roberts), 3:36.
Shots on goal: Calgary (on McLean) 3-7-5—15; Vancouver (on Vernon) 6-8-7—21.

Pittsburgh 2 2 1—5
N.Y. Rangers 1 0 2—3
First Period—1, Pittsburgh, Lemieux 2 (Coffey, Bourque), 7:24 (pp). 2, New York, Granato 1 (Erixon, Nilan), 8:28. 3, Pittsburgh, Cullen 1 (Cunneyworth, Callander), 15:25. Second Period—4, Pittsburgh, Stevens 2 (Quinn), 9:06. 5, Pittsburgh, Quinn 2 (Stevens, Coffey), 18:45 (pp). Third Period—6, New York, Ogrodnick 2 (Mullen, Shaw), 2:34. 7, Pittsburgh, Quinn 3 (Cunneyworth, Stevens), 4:25. 8, New York, Sandstrom 2 (Leetch, Wilson), 13:23 (pp).
Shots on goal: Pittsburgh (on Vanbiesbrouck) 10-12-7—29; New York (on Barrasso) 14-17-14—45.

Detroit 1 1 0—2
Chicago 0 2 2—4
First Period—1, Detroit, Barr 3 (Gallant, Yzerman), 4:46 (pp). Second Period—2, Chicago, Creighton 3 (Yawney, Sutter), 1:27. 3, Detroit, Chiasson 2 (Klima, Barr), 2:21 (pp). 4, Chicago, Wilson 1 (Creighton, Savard), 17:07 (pp). Third Period—5, Chicago, Savard 3 (Creighton, Larmer) 1:34 (pp). 6, Chicago, T.Murray 1 (Chevrier), 3:45.
Shots on goal: Detroit (on Chevrier) 4-5-7—16; Chicago (on Hanlon) 11-13-11—35.

St. Louis 3 1 1—5
Minnesota 0 2 1—3
First Period—1, St. Louis, Zezel 2 (Lowry, P.Cavallini), 4:44. 2, St. Louis, Evans 1 (Ronning), 6:21. 3, St. Louis, Hull 3, 12:14. Second Period—4, Minnesota, Bellows 2 (Chambers, Murphy), 4:04 (pp). 5, Minnesota, Gavin 2 (Gotaas, Murphy), 4:50. 6, St. Louis, Hull 4 (Federko, Lowry), 6:54. Third Period—7, St. Louis, Paslawski 1 (Federko, Hull), 1:06 (pp). 8, Minnesota, Broten 2 (penalty shot), 8:33 (sh).
Shots on goal: St. Louis (on Casey, Takko) 9-7-4—20; Minnesota (on Millen) 11-9-11—31.

Los Angeles 0 0 0—0
Edmonton 2 2 0—4
First Period—1, Edmonton, Carson 1 (Messier), 15:00 (pp). 2, Edmonton, Smith 1 (Tikkanen, Kurri), 15:16. Second Period—3, Edmonton, Kurri 1 (Messier), 2:24 (sh). 4, Edmonton, Kurri 2 (Lumb, Tikkanen), 3:35. Third Period—None.
Shots on goal: Los Angeles (on Fuhr) 7-9-10—26; Edmonton (on Hrudey, Healy) 9-5-3—17.

BASKETBALL

NBA Standings

EASTERN CONFERENCE

Atlantic Division	W	L	Pct.	GB
y-New York	48	27	.640	—
Philadelphia	42	33	.560	6
Boston	38	36	.514	9½
Washington	37	37	.500	10½
New Jersey	25	50	.333	23
Charlotte	17	56	.233	30
Central Division				
y-Detroit	55	18	.753	—
y-Cleveland	53	21	.716	2½
y-Milwaukee	46	27	.630	9
y-Atlanta	45	29	.608	10½
Chicago	45	29	.608	10½
Indiana	23	51	.311	32½

WESTERN CONFERENCE

Midwest Division	W	L	Pct.	GB
y-Utah	46	29	.613	—
y-Denver	42	32	.568	3½
Houston	40	34	.541	5½
Dallas	34	41	.453	12
San Antonio	21	53	.284	24½
Miami	14	60	.189	31½
Pacific Division				
y-L.A. Lakers	50	24	.676	—
y-Phoenix	49	26	.653	1½
y-Golden State	42	33	.560	8½
Seattle	40	34	.541	10
Portland	35	39	.473	15
Sacramento	22	52	.297	28
L.A. Clippers	18	56	.243	32

(y-clinched playoff berth)

FRIDAY'S RESULTS

New York 21 23 30 31—105
New Jersey 32 32 22 29—115
Morris 11-20 6-7 29, Carroll 8-18 3-4 19, Conner 7-8 4-6 19; Vandeweghe 8-14 8-9 24, Ewing 10-24 2-4 22. Rebounds: New York 45 (Ewing 8), New Jersey 66 (Morris 15). Assists: New York 26 (Jackson, Strickland 7), New Jersey 29 (Conner 8).

Philadelphia 34 21 28 35—118
Charlotte 28 22 32 24—106
Barkley 9-16 13-15 31, Gminski 10-15 9-9 29; Curry 12-19 1-1 25, Chapman 8-17 8-8 24. Rebounds: Philadelphia 63 (Barkley 20), Charlotte 34 (Curetan 8). Assists: Philadelphia 23 (Barkley 9), Charlotte 23 (Bogues, Lowe 11).

Houston 32 27 26 23 4—112
Atlanta 30 29 24 25 12—120
Wilkins 12-21 3-4 29, Malone 7-15 9-11 23; Thorpe 11-19 9-13 31, Floyd 6-14 9-11 23. Rebounds: Houston 59 (Olajuwon 12), Atlanta 58 (Malone 16). Assists: Houston 29 (Floyd 12), Atlanta 29 (Rivers 10).

Cleveland 16 28 32 20— 96
Washington 26 22 21 37—107
Malone 14-24 9-9 37, King 10-24 7-7 27; Daugherty 10-19 9-12 29, Ehlo 6-8 5-6 18. Rebounds: Cleveland 61 (Daugherty 11), Washington 46 (King 9). Assists: Cleveland 21 (Price 7), Washington 28 (Walker 12).

Detroit 23 29 25 25 12—114
Chicago 21 30 27 34 10—112
Johnson 11-23 6-9 30, Laimbeer 5-12 10-12 20; Jordan 11-18 18-21 40, Corzine 11-20 1-2 23. Rebounds: Detroit 58 (Mahorn 11), Chicago 54 (Grant, Corzine 9). Assists: Detroit 32 (Dumars, Johnson 8), Chicago 18 (Jordan 11).

Sacramento 24 28 25 33—110
Dallas 34 25 21 35—115
Harper 11-15 9-9 34, Dantley 7-16 9-10 23; Berry 7-13 8-10 23, Tisdale 8-12 1-2 17, Lohaus 7-14 3-5 17. Rebounds: Sacramento 45 (Tisdale 12), Dallas 41 (Wennington 8). Assists: Sacramento 30 (Smith 13), Dallas 28 (Harper 7).

Utah 22 19 38 20—99
L.A. Lakers 26 23 26 22—97
Stockton 7-7 10-11 24, Malone 9-15 6-8 24, Hansen 5-7 0-0 12; Johnson 9-22 5-6 24, Worthy 9-16 6-7 24, Abdul-Jabbar 5-13 3-5 13. Rebounds: Utah 39 (Eaton 10), Los Angeles 39 (Worthy 9). Assists: Utah 25 (Stockton 11), Los Angeles 29 (Johnson 10).

Boston 21 21 30 28—100
Portland 24 29 28 32—113
Duckworth 9-20 10-13 28, Porter 9-14 5-5 24; Lewis 10-20 6-7 26, Pinckney 6-13 5-8 17. Rebounds: Boston 53 (Parish 10), Portland 56 (Kersey, Duckworth 9). Assists: Boston 11 (D.Johnson 3), Portland 28 (Porter 11).

SATURDAY'S RESULTS

Houston 29 24 26 15 10—104
Miami 28 23 24 19 13—107
Long 9-15 12-13 30, Sparrow 9-20 1-1 19; Olajuwon 15-29 13-19 43, Berry 8-16 2-2 18. Rebounds: Houston 45 (Olajuwon 13), Miami 67 (Long 13). Assists: Houston 22 (Floyd 9), Miami 27 (Edwards 9).

Seattle 29 31 29 25—114
Dallas 27 16 17 30— 90
Ellis 13-21 6-8 34, McDaniel 5-11 8-11 18; Wennington 8-14 5-6 21, Blackman 7-17 4-4 19. Rebounds: Seattle 56 (Lister, Ellis 8), Dallas 40 (Perkins 13). Assists: Seattle 30 (McMillan 9), Dallas 18 (Wiley 5).

Indiana 31 27 28 30 12—128
San Antonio 19 22 38 36 10—126
Person 14-27 2-2 32, Schrempf 9-11 6-9 24, Thompson 11-16 2-2 24; W.Anderson 14-25 3-3 31, Maxwell 11-18 3-4 26. Rebounds: Indiana 50 (Thompson 13), San Antonio 58 (Robertson 10). Assists: Indiana 28 (Fleming 9), San Antonio 35 (Robertson 10).

Philadelphia 21 34 27 21—103
Milwaukee 28 30 25 30—113
Krystkowiak 11-18 6-9 28, Pierce 8-15 5-6 21; Barkley 7-16 10-12 24, Hawkins 8-15 1-1 18. Rebounds: Philadelphia 48 (Barkley 14), Milwaukee 56 (Krystkowiak 12). Assists: Philadelphia 25 (Barkley 8), Milwaukee 27 (Pressey 10).

Utah 19 29 30 28—106
Denver 26 27 29 28—110
English 10-20 6-9 26, Davis 8-14 7-7 23; Malone 13-19 8-10 34, Stockton 8-15 7-8 23. Rebounds: Utah 49 (Hansen, Bailey 7), Denver 53 (Lever 12). Assists: Utah 25 (Stockton 14), Denver 21 (Adams 5).

Phoenix 23 30 38 24—115
L.A. Clippers 22 35 19 21— 97
K.Johnson 8-17 13-13 29, E.Johnson 11-20 6-6 29, Chambers 8-16 2-2 18, Hornacek 7-13 4-6 18; Norman 9-14 3-4 21, Smith 8-15 4-6 20. Rebounds: Phoenix 52 (West 17), Los Angeles 57 (Smith 11). Assists: Phoenix 31 (K.Johnson 12), Los Angeles 26 (Grant 8).

L.A. Lakers 26 26 34 30—116
Golden State 32 36 22 32—122
Mullin 11-19 11-12 33, Richmond 13-24 5-7 31; Johnson 10-22 4-4 24, Worthy 10-15 2-2 22. Rebounds: Los Angeles 52 (Johnson 9), Golden State 54 (Mullin, L.Smith 7). Assists: Los Angeles 30 (Johnson 12), Golden State 20 (Garland 6).

GOLF

Masters Tournament

Scores after the third round of the 53rd Masters Tournament on the 6,905-yard, par 36-36—72 Augusta National Golf Club course in Augusta, Georgia:

Ben Crenshaw	71-72-70—213
Scott Hoch	69-74-71—214
Mike Reid	72-71-71—214
Tom Kite	72-72-72—216
Seve Ballesteros	71-72-73—216
Ken Green	74-69-73—216
Greg Norman	74-75-68—217
Mark O'Meara	74-71-72—217
Larry Mize	72-77-69—218
Nick Faldo	68-73-77—218
Jumbo Ozaki	71-75-73—219
Paul Azinger	75-75-69—219
Fuzzy Zoeller	76-74-69—219
Tom Watson	72-73-74—219
Curtis Strange	74-71-74—219
Chip Beck	74-76-70—220
Tom Purtzer	71-76-73—220
Jack Nicklaus	73-74-73—220
Lanny Wadkins	76-71-73—220
Jose Olazabal	77-73-70—220
Bernhard Langer	74-75-71—220
Jeff Sluman	74-72-74—220
Mark Calcavecchia	74-72-74—220
Jodie Mudd	73-76-72—221
David Frost	76-72-73—221
Ian Woosnam	74-76-71—221
Scott Simpson	72-77-72—221
T.C. Chen	71-75-76—222
Tommy Aaron	76-74-72—222
Fred Couples	72-76-74—222
Payne Stewart	73-75-74—222
Lee Trevino	67-74-81—222
Don Pooley	70-77-76—223
Mike Sullivan	76-74-73—223
David Rummells	74-74-75—223
Ray Floyd	76-75-73—224
Dan Pohl	72-74-78—224
Steve Pate	76-75-74—225
Hubert Green	74-75-76—225
D.A. Weibring	72-79-74—225
George Archer	75-75-75—225
Peter Jacobsen	74-73-78—225
Bob Gilder	75-74-77—226
Corey Pavin	74-74-78—226
Charles Coody	76-74-76—226
Andy Bean	70-80-77—227
Steve Jones	74-73-80—227
Bob Lohr	75-76-77—228
Mark McCumber	72-75-81—228
Bruce Lietzke	74-75-79—228
Jay Haas	73-77-79—229
Greg Twiggs	75-76-79—230

TENNIS

Davis Cup

WORLD GROUP
Quarterfinals
United States 3, France 0
(In San Diego)
Andre Agassi, U.S., def. Henri Leconte, France, 6-1, 6-2, 5-7, 6-1; John McEnroe, U.S., def. Yannick Noah, France, 6-3, 6-4, 6-1.
Ken Flach and Robert Seguso def. Noah and Guy Forget, 6-2, 7-6 (7-4), 4-6, 7-6 (7-3).
Sweden 3, Austria 2
(In Vienna)
Stefan Edberg, Sweden, def. Alexander Antonitsch, Austria, 6-3, 6-2, 6-4; Horst Skoff, Austria, def. Mats Wilander, Sweden, 6-7 (5-7), 7-6 (9-7), 1-6, 6-4, 9-7; Edberg def. Skoff, 6-3, 6-2, 6-1; Antonitsch def. Wilander 6-3, 7-5.
Edberg and Anders Jarryd def. Skoff and Antonitsch, 6-3, 6-1, 6-3.
Yugoslavia 4, Spain 1
(In Split, Yugoslavia)
Goran Ivanisevic, Yugoslavia, def. Sergio Casal, Spain, 6-3, 2-6, 7-5, 6-3; Slobodan Zivojinovic, Yugoslavia, def. Emilio Sanchez, Spain, 6-4, 6-3, 7-6 (7-5); Casal def. Zivojinovic, 7-6, 1-6, 6-3; Ivanisevic def. Javier Sanchez, 7-5, 6-1.
Zivojinovic and Ivanisevic, def. Sanchez and Casal, 4-6, 6-4, 4-6, 7-6 (7-5), 13-11.
West Germany 3, Czechoslovakia 2
(In Prague)
Boris Becker, West Germany, def. Karel Novacek, Czechoslovakia, 7-6 (7-5), 6-4, 6-4; Milan Srejber, Czechoslovakia, def. Carl-Uwe Steeb, West Germany, 7-6, 6-4, 6-3; Steeb def. Novacek, 6-3 6-4 6-4; Becker def. Srejber 6-3, 6-3, 6-3.
Srejber and Petr Korda, def. Becker and Eric Jelen, 6-3, 6-7 (2-7), 3-6, 7-6 (9-7), 6-3.

ASIA-OCEANIA ZONE
Group 1 Quarterfinals
Japan 3, South Korea 2
(In Hanakimachi, Japan)
Kim Bong-soo def. Toshihisa Tsuchihashi, 6-1, 2-6, 6-1, 6-0; Song Dong-wook def. Haruo Nakano 6-3, 6-4, 6-2.
Nakano and Shigeru Ohta, def. Yoo Jin-Sun and Kim, 7-6 (7-4), 6-3, 4-6, 6-3.
Group 2 Quarterfinals
Sri Lanka 3, Taiwan 2
(In Colombo)
Umesh Wallooppillai, Sri Lanka, def. Wu Chong Rung, Taiwan, 6-3, 6-0, 6-4; Arjun Fernando def. Wu, 3-6, 7-5, 6-3, 2-6, 6-4; Hsu def. Wallooppillai, 6-1, 6-4, 6-5.
Wu and Hsu def. Fernando and Wallooppillai, 6-0, 6-4, 6-3.
Bangladesh 4, Singapore 1
(In Dhaka, Bangladesh)
Sunny Liu def. Harun-ar-Rashid, 3-6, 7-6, 6-7; Mahtabur Rahman Marul def. Wong Chee Leong, 6-4, 6-3, 6-2.
Jamaly and Riad, def. Liu and Melwin Pereira, 7-4, 6-4, 6-4.
Thailand 5 Bahrain 0
(In Bangkok)
Vorapol Thongkamchu, Thailand, def. Abdul Rahman Shehab 6-0, 6-3; Thanakorn Srichopant, Thailand, def. Essam Jaffar Aal 6-2, 6-1.
(In Kuwait)
Pakistan 5 Kuwait 0
Hameed ul-Haq def. Khalid Rashid 6-2, 6-4, 6-1; Rashid Malik def. Ayman Ashwak 6-1, 6-1, 6-1; Hameed ul-Haq and Rashid Malik beat Khalid Ashkanani and Ayman Ashwak 6-3 6-0 6-1.

AMERICAN ZONE
Group 1 Semifinals
Argentina 3, Canada 0
(In Buenos Aires)
Guillermo Perez Roldan, Argentina, def. Martin Laurendeau, Canada, 6-1, 6-4, 6-0; (reverse singles suspended due to rain).
Jose Luis Clerc and Horacio de la Pena, Argentina, def. Glenn Michibata and Grant Connell, Canada, 6-4, 6-2, 3-6, 7-6 (7-4).
Brazil 2, Peru 1
(In Lima)
Cassio Motta, Brazil, def. Jaime Izaga, Peru, 4-6, 6-4, 6-4, 4-6, 6-3; Luis Mattar, Brazil, leads Alejandro Aramburu, Peru, 4-6, 6-2, 6-2, 7-6.
Izaga and Carlos Di Laura, def. Ricardo Acioli and Danilo Marcelino, 6-3, 6-3, 4-6, 6-4.
Uruguay 3, Ecuador 0
(In Montevideo)
Marcelo Filippini, Uruguay, def. Ernesto Linsen, Ecuador, 6-3, 6-3, 6-1; Diego Perez, Uruguay, def. Giorgio Carneade, Ecuador, 6-2, 2-1, withdrew; (last singles matches cancelled due to rain).
Perez and Victor Caldarelli, def. Andres Alarcon and Lingen, 6-4, 6-0, 6-2.
Group 2 Semifinals
Bahamas 5, Dominican Republic 0
(In Nassau)
Roger Smith def. Alexander Schad 7-6, (7-3), 6-0, 6-1; Mark Knowles def. Rafael Moreno 7-6, (7-5), 6-1, 4-6, 6-2; Knowles beat Schad 6-2 6-3; Smith beat Moreno 6-2 6-3; John Farrington and Smith def. Moreno and Schad, 6-1, 6-4, 7-5.
Chile 3, Cuba 0
(In Varadero, Cuba)
Ricardo Acuna def. Juan Antonio Pino, 7-5, 6-4, 1-6, 6-1; Robinson Ureta def. Mario Ivan Tabares 6-2, 6-7, 6-3, 6-4; Acuna and Hans Gildemeister def. Pino and Tabares, 6-2, 6-4, 6-4.

EUROPEAN ZONE
Group 2, First Round
Luxembourg 5, Malta 0
(In Luxembourg)
Serge Bruck, Luxembourg, def. Gordon Asciak, Malta, 6-0, 7-6, (7-3); Johny Goudenbour, Luxembourg, def. Steven Schranz, Malta, 6-0, 6-0; Goudenbour and Bruck def. Deryl Delicata and Asciak 6-2, 6-1, 6-2.
(In Monaco)
Monaco 5, Cyprus 0
Gilles Ganancia def. Neoclis Neocleous 6-0 6-0; Jerome Seguin def. Alkis Papamichael 6-2 6-1; Christophe Boggetti and Jacques Vincileoni def. Phivos Zachariades and Alkis Papamichael, 6-2, 6-1, 7-5.

AFRICAN ZONE
Group 2 Quarterfinals
Ivory Coast 1, Kenya 0
(In Nairobi)
Jean-Christophe Nabi, Ivory Coast, def. Norbert Oduor, Kenya, 4-6, 6-4, 7-6 (7-5, 6-4); (second match ppd., rain).
(In Accra)
Ghana 4, Egypt 1
Kole Attiso, Ghana, def. Tamer el-Sawy 6-4, 6-3, 6-3; Ahmed el-Melhelimy def. Frank Ofori, 4-6, 0-6, 2-6; Ofori def. Tamer El-Sawy 6-7, 6-7, 6-2, 6-3, 6-4; Kole Attiso def. Ahmed El-Melhelimy 6-3, 6-4; Attiso and Ken Dowuona def. Tamer El-Sawy and Ahmed El-Melhelimy, 6-2, 6-2, 6-3.

WOMEN'S TOURNAMENT
(In Hilton Head Island, South Carolina)
Quarterfinals
Steffi Graf (1), West Germany, def. Radka Zrubakova, Czechoslovakia, 6-2, 6-1; Martina Navratilova (2), U.S., def. Hana Mandlikova (8), Australia, 6-2, 7-5; Natalia Zvereva (4), Soviet Union, def. Leila Meskhi, Soviet Union, 6-3, 6-3; Arantxa Sanchez (7), Spain, def. Linda Ferrando, Italy, 7-5, 6-1.
Semifinals
Graf def. Sanchez, 6-2, 6-4; Zvereva def. Navratilova, 6-2, 3-6, 6-1.

TRANSITION

BASEBALL
American League
MILWAUKEE—Put Tom Filer, pitcher, on 21-day disabled list. Moved Dale Sveum, shortstop, from 21-day to 30-day disabled list.
TORONTO—Put Tony Fernandez, shortstop, on 21-day disabled list. Recalled Alexis Infante, infielder, from Syracuse, International League.
National League
PITTSBURGH—Put Jim Gott, pitcher, on 21-day disabled list. Recalled Scott Medvin, pitcher, from Buffalo, American Association.
BASKETBALL
National Basketball Association
NBA—Fined Isiah Thomas, Detroit guard, $5,000 and suspended him for two games; Bill Cartwright, Chicago center, $2,500 and suspended him for one game, and Mark Aguirre, Detroit forward, $2,000, for their involvement in a fight April 7.
FOOTBALL
National Football League
HOUSTON—Signed Warren Moon, quarterback, to five-year contract.
NEW ENGLAND—Signed Marc Wilson, quarterback, to one-year contract.
NEW ORLEANS—Released Tony Elliott, nose tackle.
COLLEGE
LEHIGH—Named Joseph Sterrett assistant vice president for student affairs and director of athletics.
LOUISIANA TECH—Named Jerry Loyd basketball coach.

SOCCER

ENGLISH FIRST DIVISION
Arsenal 2, Everton 0
Coventry 2, Norwich 1
Liverpool 5, Sheffield Wednesday 1
Millwall 0, Manchester United 0
Middlesbrough 3, Southampton 3
Newcastle 1, Aston Villa 2
Queens Park Rangers 4, Wimbledon 3
West Ham 1, Derby 1
English League Cup Final
Luton 1, Nottingham Forest 3
Points: Arsenal 63; Liverpool 60; Norwich 56; Nottingham Forest, Millwall 51; Coventry 49; Tottenham Hotspur 47; Wimbledon, Derby County 46; Manchester United 45; Everton 41; Queens Park Rangers 40; Aston Villa, Sheffield Wednesday 37; Middlesbrough 34; Charlton, Southampton 33; Luton 30; Newcastle 29; West Ham 23.

WEST GERMAN FIRST DIVISION
Hanover 1, Borussia Dortmund 5
St. Pauli 2, Bayer Leverkusen 0
Bayer Uerdingen 0, Hamburger SV 2
FC Nuremberg 1, VfB Stuttgart 0
VfL Bochum 2, Karlsruher SC 0
SV Waldhof Mannheim 1, Eintracht Frankfurt 0
Bayern Munich 0, Werder Bremen 0
Stuttgarter Kickers 3, Borussia Moenchengladbach 0
FC Cologne 2, FC Kaiserslautern 2
Points: Bayern Munich 37; FC Cologne 34; Werder Bremen 32; Hamburger SV 31; Bor. Moenchengladbach 28; Borussia Dortmund, VfB Stuttgart, Karlsruher SC 26; FC Kaiserslautern, Bayer Uerdingen, FC St. Pauli 25; Bayer 04 Leverkusen, VfL Bochum 24; FC Nuremberg 20; SV Waldhof Mannheim 18; Eintracht Frankfurt, Stuttgarter Kickers 17; Hanover 96 13.

ITALIAN FIRST DIVISION
Cesena 1, Internazionale of Milan 2
Como 1, Verona 1
Lazio of Rome 0, Bologna 0
Lecce 2, Juventus of Turin 0
Milan 0, Napoli 0
Pescara 1, Atalanta of Bergamo 1
Pisa 0, Ascoli 0
Sampdoria of Genoa 1, Fiorentina 2
Torino 3, Roma 1

SPANISH FIRST DIVISION
Espanol 0, Malaga 1
Elche 2, Cadiz 2
Valencia 1, Atletico Madrid 0
Osasuna 1, Sevilla 3
Sporting 0, Athletic Bilbao 1
Real Sociedad 2, Logrones 2
Real Betis 2, Celta 0
Real Madrid 3, Real Murcia 0
Real Zaragoza 0, Barcelona 0
Real Valladolid 1, Real Oviedo 0
Points: Real Madrid 46; Barcelona 42; Valencia 34; Celta 32; Athletic Bilbao, Atletico Madrid 31; Real Valladolid, Sevilla 30; Osasuna 29; Logrones 28; Sporting 27; Real Zaragoza, Real Oviedo, Real Sociedad 25; Cadiz, Malaga 23; Real Betis 22; Espanol 20; Real Murcia 19; Elche 13.

WORLD CUP QUALIFYING
New Zealand 2, Israel 2

POSTCARD

The Country Doc, Harlem Version

By Douglas Martin
New York Times Service

NEW YORK — As Matthew Warpick, M.D., walked slowly toward his Harlem office at 7:45 A.M., a disheveled man in studded leather jacket and dirty jeans approached. The man smiled weakly and said, "I'm kind of stoned, but I'm one of your patients."

Warpick knew who he was. He answered: "The test came back, and you don't have AIDS."

Much has changed since Warpick began practicing 64 years ago, some inarguably for the better. There was no cure for tuberculosis then and insulin had not yet been developed. But that was also a time Warpick thought nothing of making house calls at 2 A.M.

Roxie Mitchell, who like Warpick, is 88, remembers: "He did everything for everybody. If people didn't have money, he forgot about it."

The Harlem where Warpick began his practice is gone. It was full of hope, Irish, Greeks, Italians, blacks from the South and Jews like himself. A nickel bought lunch and a beer. Crack vials and armored doors are today's realities.

Despite six muggings in recent years, the doctor says: "I'm going to die with my shoes on. I have no intention of giving up. As long as my people need me, I'll be here."

Such determination goes back to Warpick's beginnings. He was born in the South Bronx, then still mainly farmland.

By working he was able to both support his family and get through medical school. His father was usually unemployed.

He moved to Harlem because a distant relative owned a drugstore there. During the Depression they sent each other business.

The years have distilled the doctor's views:

"Medicine today is cold and dry and elusive. There's no bond between a doctor and a patient, no bond at all. The patient is a number.

"My greatest problem today is getting people to stop taking all that medication. It not only affects them physically, it blows their mind.

"I advise people never to retire, unless they're forced to. There's nothing worse than getting up in the morning and having no place to go."

'Begging Bowl' for British Arts

International Herald Tribune

LONDON — Ever since the Arts Council of Great Britain published a policy booklet in 1984 called "The Glory of the Garden" which included the statement, "we can dung and we can water, but we cannot

MARY BLUME

create a single flower," it has been clear that the arts would find less and less nourishment from the public purse. The money tree may be the glory of the Thatcher government's garden, but for the arts, as for health, education and other areas of public spending there isn't much room for the more tender plants.

In all the branches of the arts, managers these days refer to themselves as going around with a begging bowl. Most often the bowl is extended to the business world. Corporate sponsorship of the arts added up to £30 million (about $51 million) last year. In 1984 it was only £15 million.

While corporate sponsorship of the arts does not offer the tax benefits of the United States, arts sponsorship provides distinct advantages, according to Caroline Cage of the Association for Business Sponsorship of the Arts (ABSA).

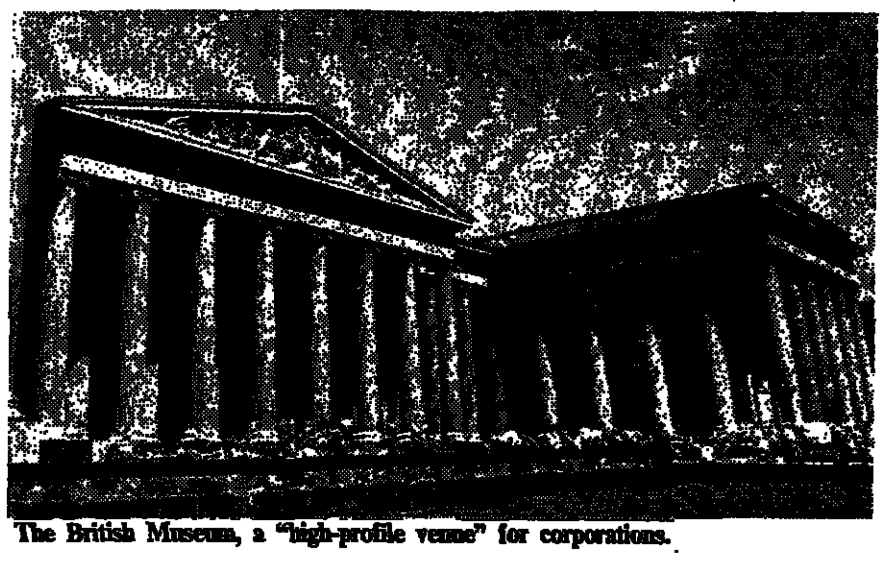
"There can be an element of logo recognition and it also offers unique facilities for client entertainment," she says. An example is Digital Dec, the British subsidary of the Digital Equipment Company, which has funded several dance events.

"They sell very big computer systems and only want to impress about 300 people, key management people who might want to buy very large computer systems. It's far more effective to do that by taking them out for the evening and doing your sales pitch afterwards."

Such black tie evenings are, in the words of one public relations consultant, perfectly suited to revive the jaded City palate. One of the offshoots of corporate arts sponsorship has been a boom in public relations. "The two huge growth areas in service in England in the last few years have been public relations and design — the idea of projecting a more visually or artistically interesting corporate image has become more important," Cage says.

One London borough has hired an American to help raise funds. Anne Collins, former cultural attaché at the U.S. Embassy in London, has moved into public relations as advisor to the BAFTA-Shell U.K. venture, which brought the British Academy of Film and Television Arts £3 million. "They really needed American advice here," she says.

It isn't only the arts that are marketing themselves. Oxford University has hired its first public relations consultant, also an American, and separately Oxford colleges are out tapping their alumni for the first time. Somerville College has raised £1 million and has launched the American Margaret Thatcher Fund for Somerville College (the prime minister is a Somerville grad).



The British Museum, a "high-profile venue" for corporations.

Eton College has opened a Museum of Eton Life (entrance fee £1.80) whose exhibits include a wooden beating block and a birch used for flogging.

In the museum world, the begging bowl has been passed with various results. The Victoria and Albert's blatant panhandling has caused dismay while on the other hand the British Museum operates in a seemly and effective manner, having attracted such sponsors as British Olivetti for its "Glass of the Caesars" exhibition and British Gas for "Treasures for the Nation: Conserving our Heritage."

Of course what the British Museum can offer is unique. "From the mummy to the most abstruse aspects of fine arts, we're the encyclopedia of the world," says Geoffrey House, an archaeologist who is the museum's Head of Public Services.

"The prestige, there's nothing like it," says ABSA's Caroline Cage. There is also the practical side. "Because the British Museum is one of the leading museums of Europe and gets such a high visitor attendance, it's a very high-profile venue."

"We can do glamorous reception, it's really quite impressive," says Geoffrey House. The Egyptian galleries, for example, can be hired for £5,000 for a cocktail party, £10,000 for a dinner. "For a more modest venue the fee would be open to discussion," House says.

The museum has 25 clout-wielding trustees, one appointed by the queen, 15 by the prime minister, four by scholarly societies and five by the trustees themselves. They agree that, despite the need for funds, they will not charge admission to the museum except for special exhibitions.

The annual government grant is just over £24 million, supplemented by a variety of means from books to membership events, to tours to an ice cream stand in the museum's forecourt which brings in £10,000 a year to an evening concert at which the anthem Mozart wrote for the museum was played. (The anthem was composed in gratitude for having been allowed into the museum. No children were then admitted, and Mozart was one).

Corporate sponsorship, House says, should not be looked on as second best to public funding. "You should look at it positively. We welcome private sponsorship for various reasons, one being that it's not always the same person controlling the purse strings. It's good to have a plurality of funding so you're not always talking only to the government."

In addition to, so to speak, stretching the begging bowl to more hands, corporate sponsorship can widen the museum's appeal. "British Gas, for the 'Treasures for the Nation' exhibition put out showroom promotion all over the country and took out full-page advertisements, something we wouldn't have the money to do and wouldn't consider.

"Also the sponsor will involve its staff so you'll get a whole new audience, people who wouldn't come to the museum except for the organization that's involved in sponsoring."

The Levantis foundation, run by a Cypriot family, gave the museum funds for the new Cyprus gallery. Japanese sponsors have enabled the museum to bring up from the reserves works only scholars had seen and to open for the first time a separate Japanese gallery at a cost of £4 million.

"We're looking all the time at all the range of income-producing things," House says. Including, literally, a begging bowl. At present there are two plastic bins at the entrance into which visitors throw coins and folding money adding up to £100,000 a year. The plastic is shortly to be changed for a large Chinese urn. More in keeping and, says Geoffrey House, with room for a lot more cash.

LANGUAGE

The Blossoming of 'Gun Down'

By William Safire

WASHINGTON — For language mavens, the dispute that culminated in the non-confirmation of John Tower was memorable for the blossoming of *gun down* as a synonym for squelch.

President Bush drew first.

After perusing a report by the Federal Bureau of Investigation about his nominee, he announced that the allegations against Tower "have been gunned down in terms of fact."

Reporters enjoyed using the unfamiliar extension of the metaphor; in a news conference, a question began, "You have said that the FBI report guns down the accusations against Senator Tower, and yet . . ."

Bush used the colorful figure of speech again weeks later, explaining that his delay in sending the nomination up to Capitol Hill was caused by his concern for "gunning down groundless rumors."

A computer search for the earliest use of this verb phrase in its extended sense turns up a 1977 story about a "Face the Nation" appearance by — you guessed it — George Bush, chief of the Central Intelligence Agency. He said he was appearing on the program to "gun down" speculation that a Team B, which had been appointed by him to challenge his agency's assessment of Soviet power, had leaked its conclusions in order to dissuade President-elect Jimmy Carter from cutting the defense budget.

In its original sense, *gun down* means "shoot and cause to fall." One of the senses of the verb *gun* in Merriam-Webster's Ninth New Collegiate is "shoot," with the example given of "gunned down by a hit man."

The phrase can be found in the Oxford Dictionary of Current Idiomatic English, identified as a transitive verb ("gun") followed by a particle (adverb or preposition "down"); labeled "informal," it is defined as "shoot unmercifully, often with the implication that the victims are defenseless."

For a rundown on *gun down*, I turned to Stuart Berg Flexner at Random House, who told me: "Mafia hit men were said to *gun* somebody, without the *down*. The *down* wasn't added until after World War II, then mainly in newspaper use about mobsters who had *gunned down* someone. Probably influenced by *run down*, which dates back to the 16th century, and a hunting term, *hunt down*. There are also *ride down* and *track down*."

For a time, *gun up* was preferred, synonymous with "shoot up a town," but the power of the image of a fall — as in *bringing down* an animal or a human target — prevailed in the language.

It remained only for that former Navy pilot, who may have heard the phrase in World War II, to extend the metaphor. The target became a rumor, not a person or an animal, and the phrase in this usage loses its mercilessness, since a rumor is not innocent.

Rumor-denial needs linguistic help, which is why we welcome this new and heroic sense of what had hitherto been a coolly cruel verb. *Gun down* is now the fashionable synonym for such terms as *squelch*, an onomatopoeic term from the sound of stepping on a soft object; *quell*, which originally meant "kill" but later came to mean "crush" or "suppress," and *put the kibosh on*, its origin a mystery that begs for solution.

□

"A rap against Baker is that his reputation rests mainly on his skill with the press," wrote the National Journal early this year, referring to Secretary of State James A. Baker 3d. "That was the thrust of a splashily contrary . . . New Republic cover story that branded him 'Washington's most overrated man.' "

Seated in his office on the seventh floor of Foggy Bottom, Baker must have read that, thinking: Why *contrary*? Why not *contrarian*?

The same thoughts occurred to Burt Solomon, the writer of the piece, who asked his editor why *contrarian* had been changed. He was told that *contrarian* was not in Merriam-Webster's Third New International Unabridged (the noun does appear in that dictionary's 1986 supplement, "12,000 Words"); moreover, says Solomon, the editor "considers *contrarian* a word that doesn't add any meaning to *contrary*; he likens it to the way the newfangled *adversarial* means precisely the same, as an adjective, as *adversary*."

The reporter argued otherwise: "I think of *contrarian* as a Wall Street term describing an investor who purposely goes against the market's thinking as a strategic means of turning a profit. I regard *contrarian* as connoting an obsessive quality that distinguishes it from *contrary* — a being contrary for the sake of being contrary."

Virginia, your little editor-friends are wrong. Both words are both adjective and noun: a *contrary* (adj.) view is one that is on the *contrary* (n.); a *contrarian* (adj.) view is the persnickety position taken by one of those ultra-independent, different-drummer *contrarians* (n.).

Contrary means "opposite, against, opposing," while *contrarian* as a noun, and lately as an adjective, refers to more than "one who is contrary"; the word as noun means "one who sees a value or an advantage in taking an opposing view" and, in adjectival form, "deliberately opposing for the strategic reason of being against the trend."

The father of contrarianism was Humphrey Neill, the author of the 1954 "Art of Contrary Thinking." His former aide, James Fraser of Burlington, Vermont, recalls that the financial adviser began a newsletter in the 1940s called "The Neill Letter of Contrary Opinion." In the 1960s, he began changing the key word to fit his philosophy of deliberately going against the grain of current investor sentiment.

Elizabeth M. Fowler wrote in The New York Times on June 11, 1966: "Mr. Neill, who calls himself a *contrarian*, which means he tends to act just the opposite of the crowd or general public, now advises caution."

The word, with its sense of purposeful opposition, soon spread beyond Wall Street to politics, where the adjective has positioned itself between *iconoclastic* and *ornery*, and the noun has become synonymous with "young curmudgeon."

Now, *contrarian* is also part of the general language. When other New York builders cut back on construction in Battery Park City after the 1987 stock market crash, Frank E. Linde plunged ahead: "We took a contrarian view," he told The New York Times. "We decided to go full steam ahead." (So far, that means merely a *contrary* view.) "We figured that if the other developers were holding back, there would be less competition." (With that clear purpose of taking advantage of the different action of others, his view becomes *contrarian*.)

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